



BFI

Business for Inequality

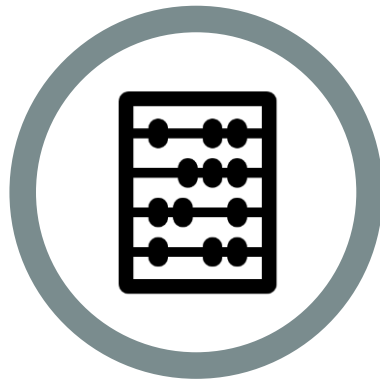
[YOUTUBE>>>](#)

December 2021

The process



**Key Objectives &
Analysis**



Alternatives



Recommendations



**Implementation
Plan**



**Risks & risk
Mitigation**

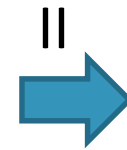
KEY OBJECTIVES

Challenge

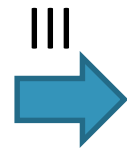
How to reduce world inequality?



Background and economic policy



International organizations



Projects around the world to reduce economic inequality

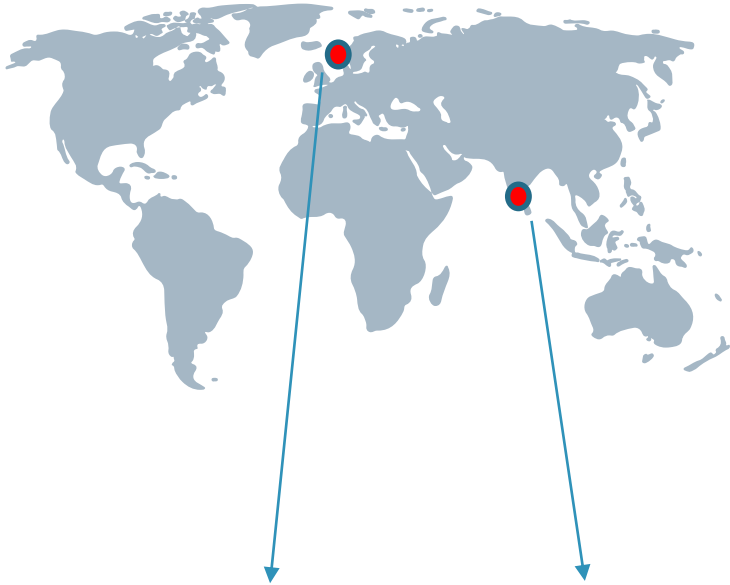


Future forecast



The significance of economic inequality

Inequality in health



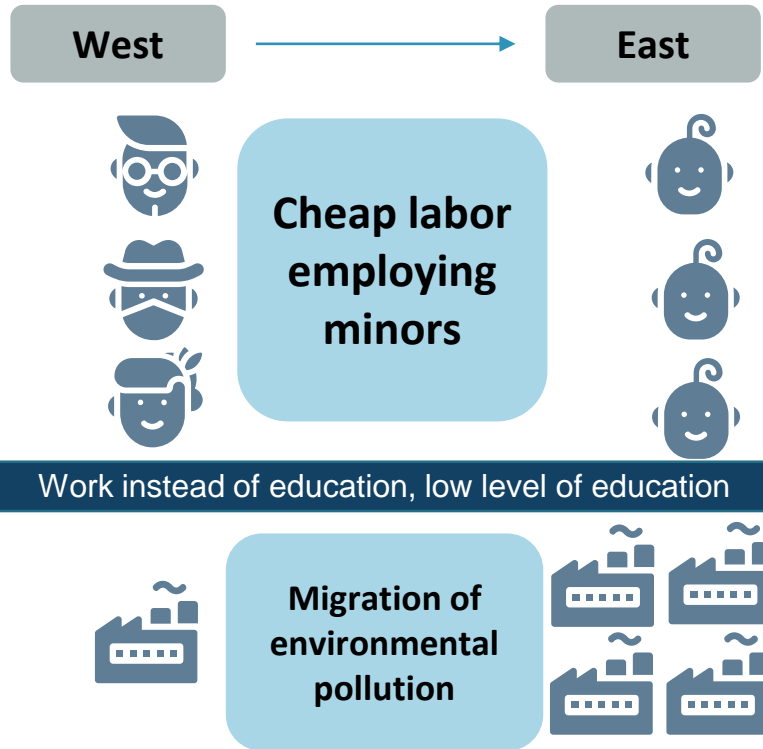
Norway

Life Expectancy
82.91

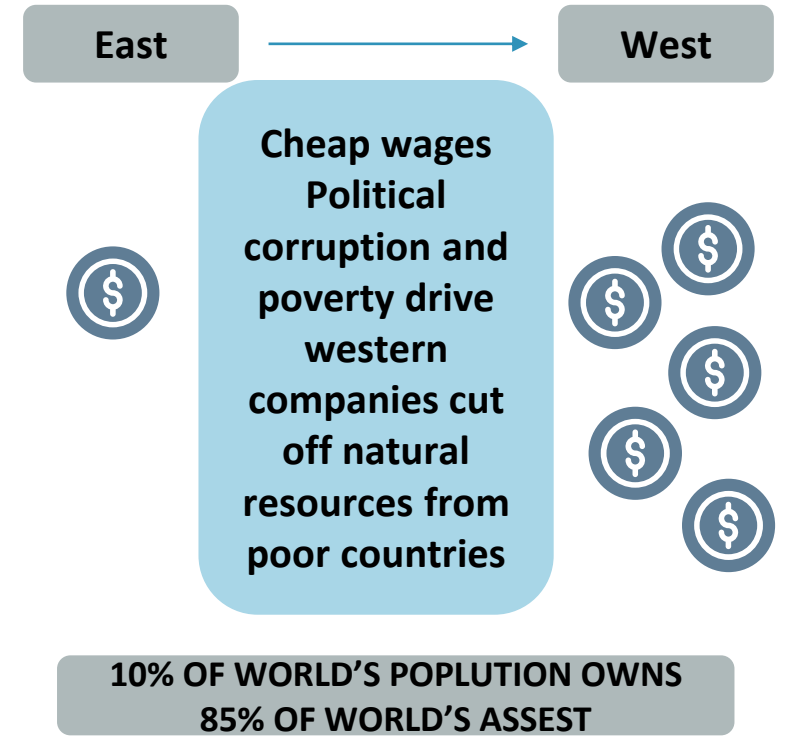
India

Life Expectancy
69.6

Capital migration



Natural resources



International inequality leads to inequality in education, health, labor, wages, and political corruption

*Fom Eco-Wiki



Key Objectives & Analysis



The connection between economic policy and welfare

The rich pay more tax than the poor

Progressive tax

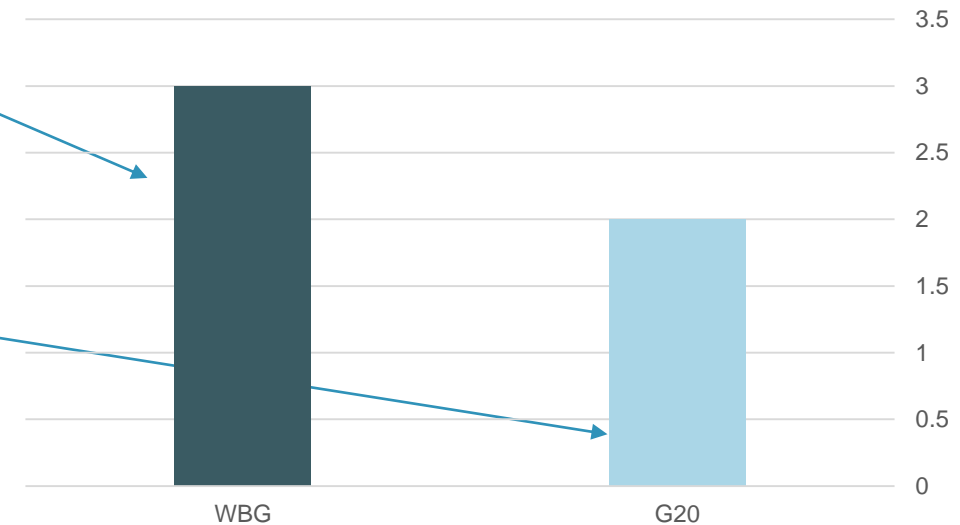
Both the poor and the rich pay the same tax rate

Neutral tax

The tax rate decreases with an increase in the tax base

Regressive tax

Government expenditure as a percentage of GDPs*



Mostly imposed on companies

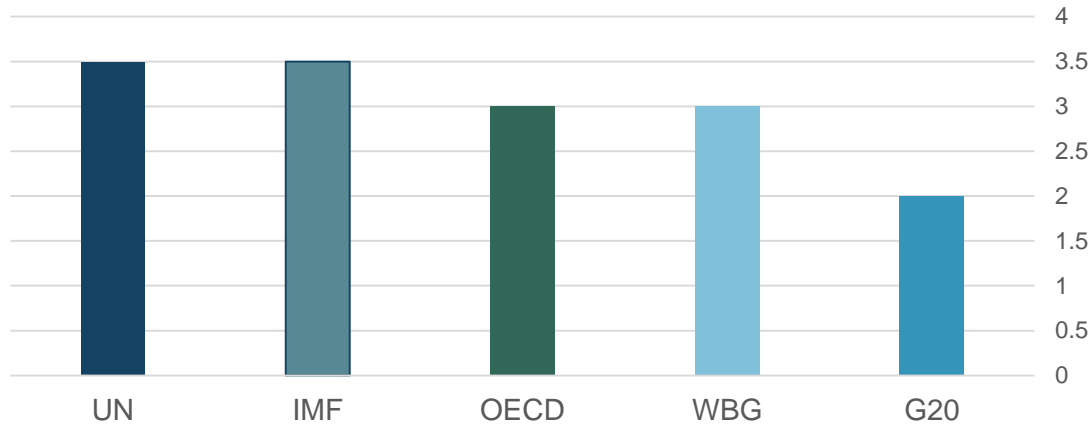
Governments have a responsibility to set economic policies that will benefit their citizens

*From The OECD website



Who else has a responsibility to reduce inequality?

How the UN, IMF, OECD, WBG, and G20 score on reducing inequality, on a scale of 1–5*



NGO's and semi-governmental organizations

*OCAMPO ET AL. | ARE THE MULTILATERAL ORGANIZATIONS FIGHTING INEQUALITY? (2017)

What prevents these organizations from reaching 5?

Not all parties are committed

Multiple interests

Countries operate alone

There is no collective action

Despite the economic importance of reducing inequality the world is still driven by political considerations

Almost all existing studies consider links between income inequality and growth.

*Wealth inequality, governance and economic growth (2020)



What projects have been done to reduce inequality?

IMF	World Helping Countries Manage Fiscal Risks from Public Private Partnerships	World SDG: The Sustainable Development Goals 2030 Agenda	UN
	Countries Building Frameworks for Financial Stability in Asia	Countries Pakistan - UNDP is harmonizing data collection and reporting on human rights	
OECD	World Ensuring multinationals pay a fair share of taxes	World reduction of road traffic deaths and serious injuries	WBG
	Countries Reforming telecommunications in Mexico	Countries Syria - educational reinforcement for marginalized youth	

Most projects start bottom up - The impact of change from the country affects the world



Analysis



Forecast for the coming years



Fact

effect

POLITIC

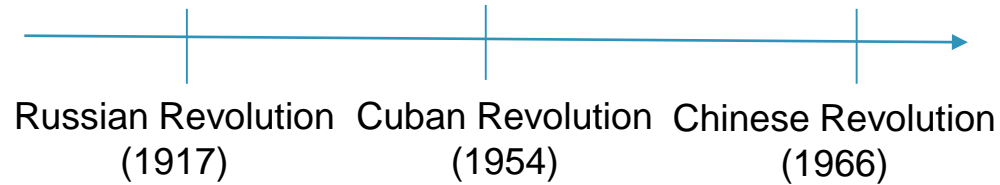
Great inequality over time creates political and social unrest*

Equality

change

Equality

change



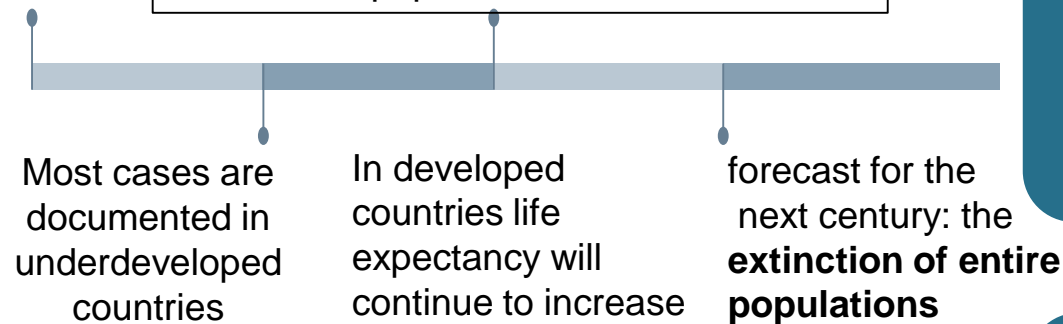
Divisions and rifts are growing in the world

*Only disaster will bring equality (2016)

POPULATION

69 million children under five years of age will die from mostly preventable causes.**

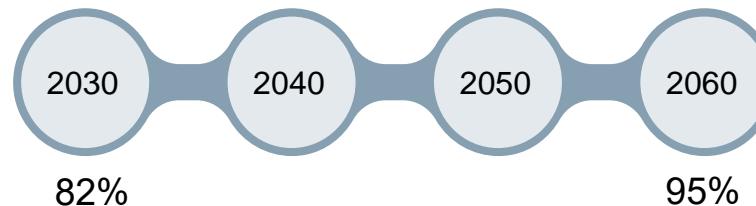
The world's population will be non-diverse



A monotonous life with people who are just like you

ECONOMI

The top decile holds 76% of the capital in the world
*Globs (2021)



Only 5% are divided among the rest of the world population, there are no classes only upper and lower

Based on the increase in holding between 2010 and 2020

*THE IMF WEBSITE

**EQUALITY: WHY IT MATTERS

Alternatives

Found NGO- “BFI “(Business for inequality)

What?

Collaboration of companies promoting change

Why?

Companies that contribute to society and environment are more profitable.

Collaborate with SDG

What?

Build team of experts (economic, educational etc.) that would create a research-based applied program, using SDG's resources

Why?

SDG is solid base and resources that can execute this plan

Promote progressive tax through Lobby

What?

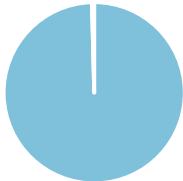

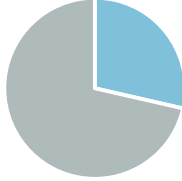
This promotes bigger government income that would be invested in low socio- economic layers

Why?

The low socio- economic layers need help to get equal opportunities and eventually increase social mobility



Alternatives- Criteria to choose right

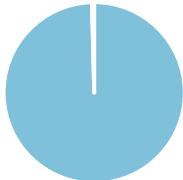

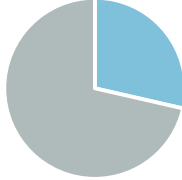
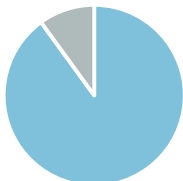
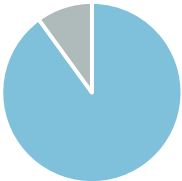
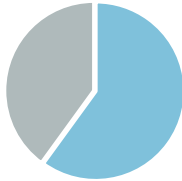
criteria	Found NGO- "BFI"	Collaborate with SDG	Promote progressive tax through Lobby	YES	NO
Face political obstacle				<input type="checkbox"/>	<input type="checkbox"/>



Alternatives





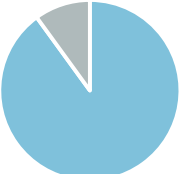

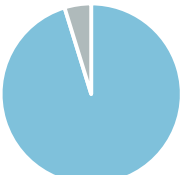
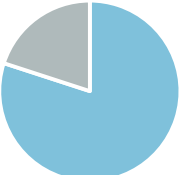
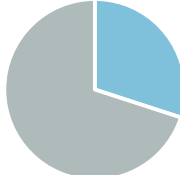


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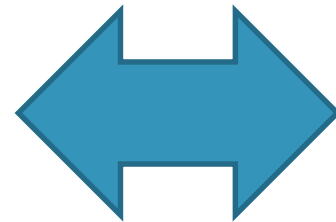
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Impact				<input type="checkbox"/>	<input type="checkbox"/>



BFI

International



National



Recommendation



BFI

What?

1

Formulating policies
and recommendations

2

Promoting practical
moves within the
business sector

3

Taking actions and
collaborations with
players and other
sectors in the arena

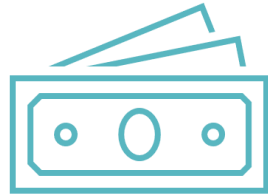


Recommendation



BFI

Who & How?



Yearly membership
fees & donations



The largest companies
in the economy

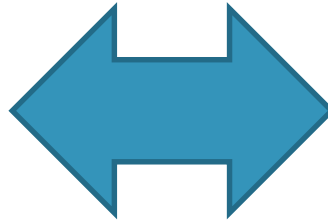


Recommendation



BFI

International



National

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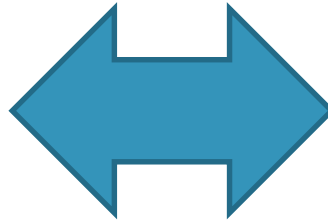
Recommendation



BFI

International

National



1

2

3

Formulating state-tailored policies and recommendations

Promoting practical moves within the business sector

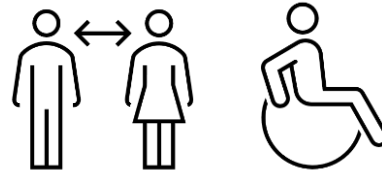
Taking actions and collaborations with players and other sectors in the national arena



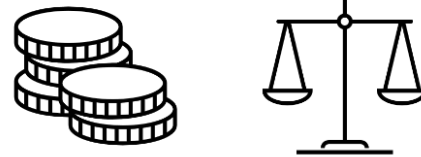
Recommendation



BFI



Diversity



Fair Employment

Corporate
Responsibility

Reducing
inequality
+
Increase in
revenue

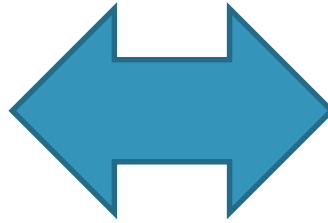


Implementation Plan



BFI

International



National

1

Formulating policies
and recommendations

2

Promoting practical
moves within the
business sector

3

Taking actions and
collaborations with
players and other
sectors in the arena



Recommendation



Arenas of action

Governments

- Lobby in favor of tax reduction for businesses that contribute to reducing equality

International organizations

- Representing the business sector in international forums
- knowledge sharing

NGO's

- Collaboration with social enterprises to reducing inequality
- Collaboration in creating a standard for reducing inequality

Civilian Forces

- Publicity and marketing to create public opinion



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Arenas of action

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Taxation policy

Lobby in favor of tax reduction for businesses that contribute to reducing equality

- ✓ Diversity
- ✓ Fair employment
- ✓ locally made
- ✓ Increasing equal opportunities in employee absorption



Arenas of action

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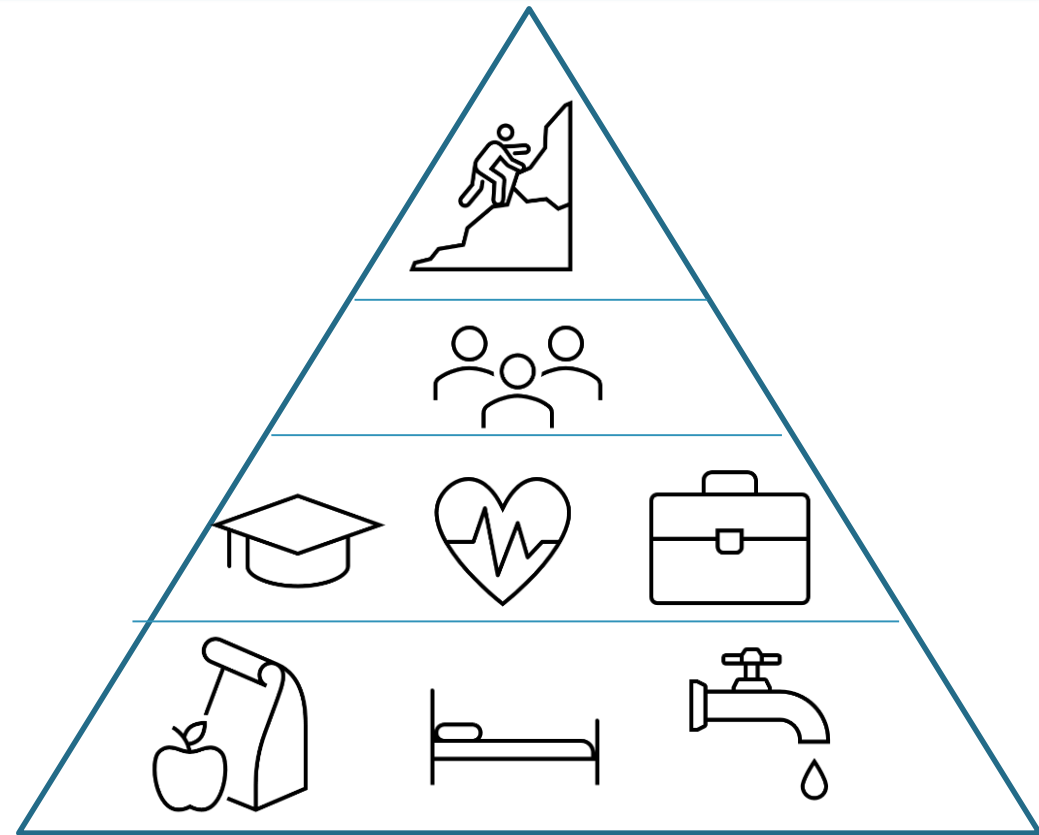


Arenas of action

NGO's

- Collaboration with social enterprises to reducing inequality
- Collaboration in creating a standard for reducing inequality

Unique ventures



Alternatives & Recommendation

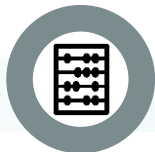
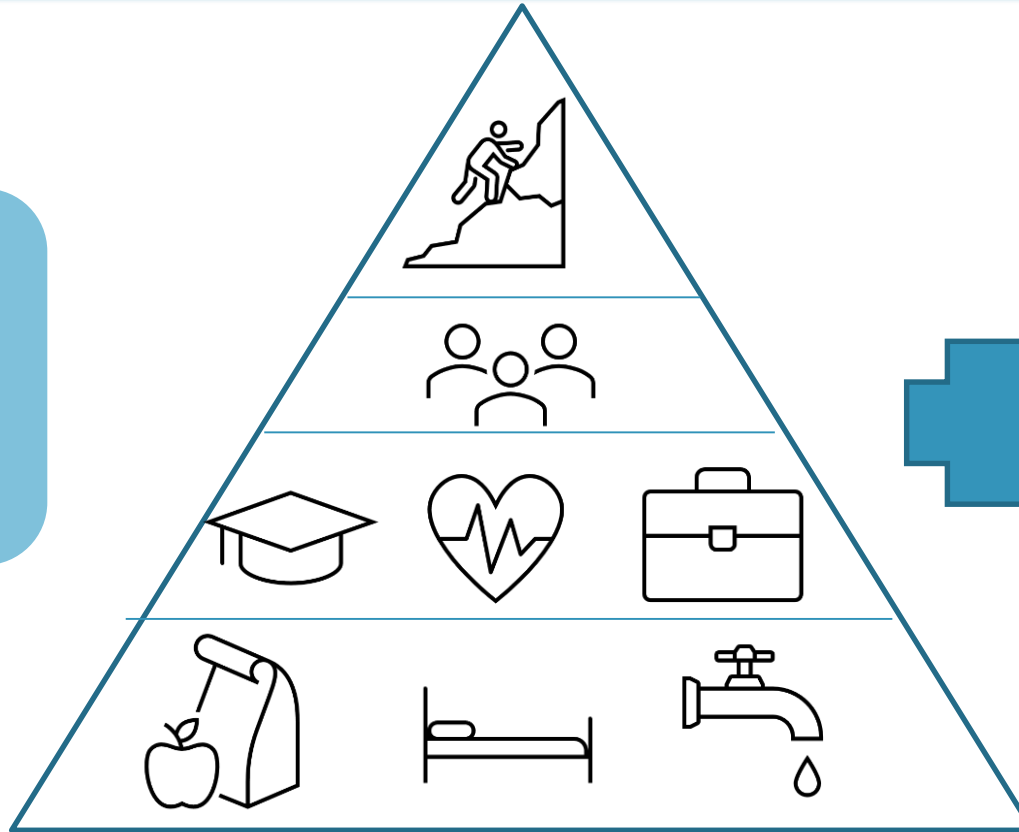


Arenas of action

NGO's

- Social enterprises that support change.
- Create a standard character

Corporate
responsibility
rating



Alternatives & Recommendation



Arenas of action

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Civilian Forces

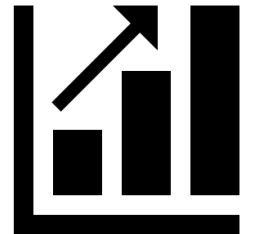
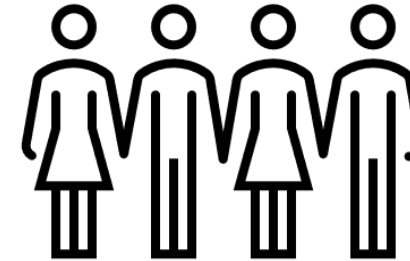
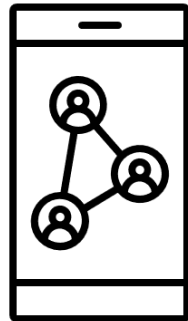
- Publicity and marketing to create public opinion



Arenas of action

Civilian Forces

- Publicity and marketing to create public opinion



Campaigns

Virtual
Discussions

Change of public
opinion

Competitive
advantage

increase in
revenues



Alternatives & Recommendation



Implementation plan

1st year

Recruiting first coalition partners

Conducting initial meetings to establish common **general policies**

Support for the establishment of business **coalitions in selected countries**

2nd year

Concentration on the business sector:

Writing a document for corporate responsibility in the field of reducing inequality

Advocacy and assistance to businesses to promote diversity and fair employment

3rd year

Activity in other arenas:

Hiring for the International Coalition:

lobbyists
marketing consultants
Project managers

Promoting policies and projects with partners



Implementation Plan



Financial Projections- Companies & Corporations

The advantages of this plan:

1. Increased awareness to this topic
2. Provides a careful examination of risks Create/ enhance trend
3. **Increase demand ***

Companies that incorporate ESG issues and meets the PRI criteria present averagely **higher** yield for the investor than companies without awareness.**

Attracts more clients

More attractive to clients

- * Chapman. J.R, 2011
- ** Lumivirta. L, 2020



Implementation Plan



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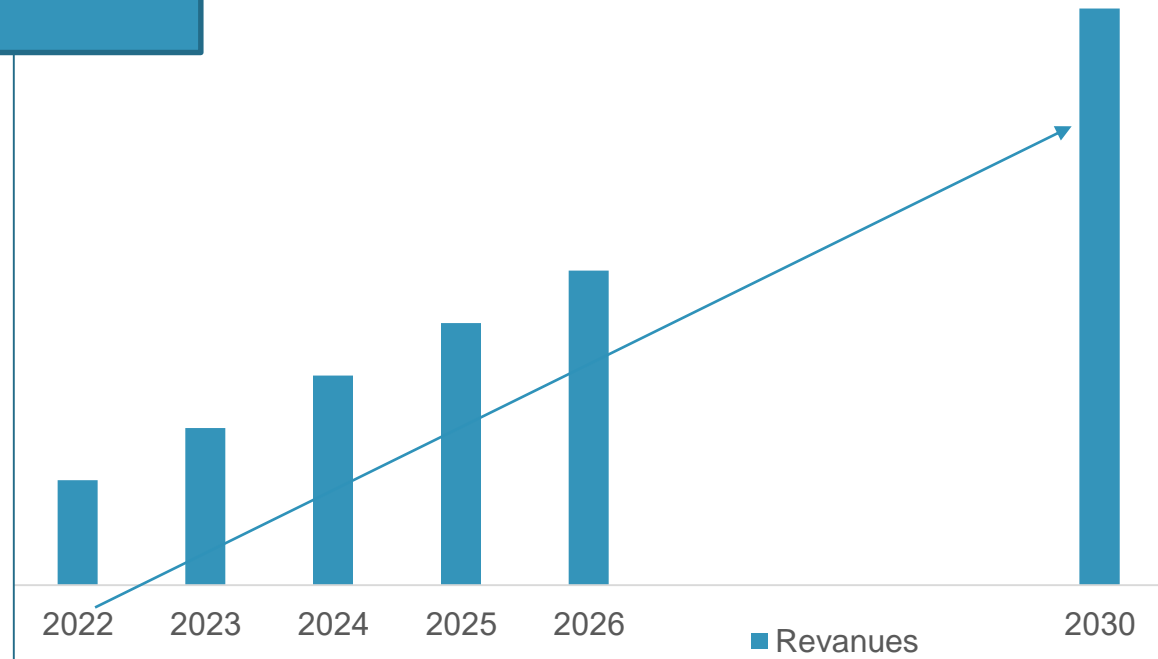
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Growth in revenues due to social involvement

Attracts more clients



More attractive to clients



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Implementation Plan



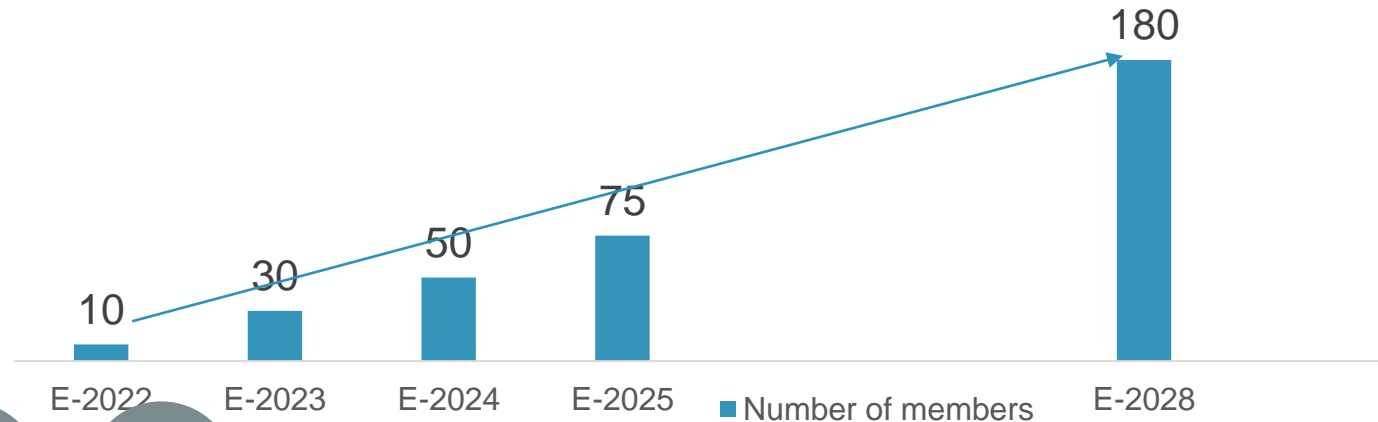
Financial Projections – Income

In order to be part of this organization, there are annual membership fee of 120 thousands \$.
+ the companies pay themselves the implementation of the suggested steps



Thousands \$	2022	2023	2024	2025
member's fee	Recruiting first 10 partners	Additional 20	Additional 20	Additional 25
	1,200	3,600	6,000	9,000

Number of members



In order to make the biggest impact, it is best that partners of different nationalities would join the BFI



Financial Analysis - Investments Costs

Office equipment (in thousands \$)	2022
Purchase computers	30
Conference room	12
Total	42



Financial Projections - Expenses

Thousands \$	2022	2023	2024	2025
Renting office	120	120	120	120
Recruiting staff and their salaries (consultants, lobbyists, marketers, sellers)	2 employees of each role + 5 sellers	Additional 2 employees of each role	Additional 2 consultants + marketers	
	1,320	2,280	2,760	2,760
subtotal	1,440	2,400	2,880	2,880

As more companies will join the organization , the more consultants and marketers are needed.



Implementation

Financial Projections - Expenses

Thousands \$	2022	2023	2024	2025
Subtotal- office & recruitment	1,440	2,400	2,880	2,880
Create treaty – recreding 3 jurists		430	430	
Physical conference – twice a year	480	510	550	600
Total	1,920	3,340	3,860	3,480

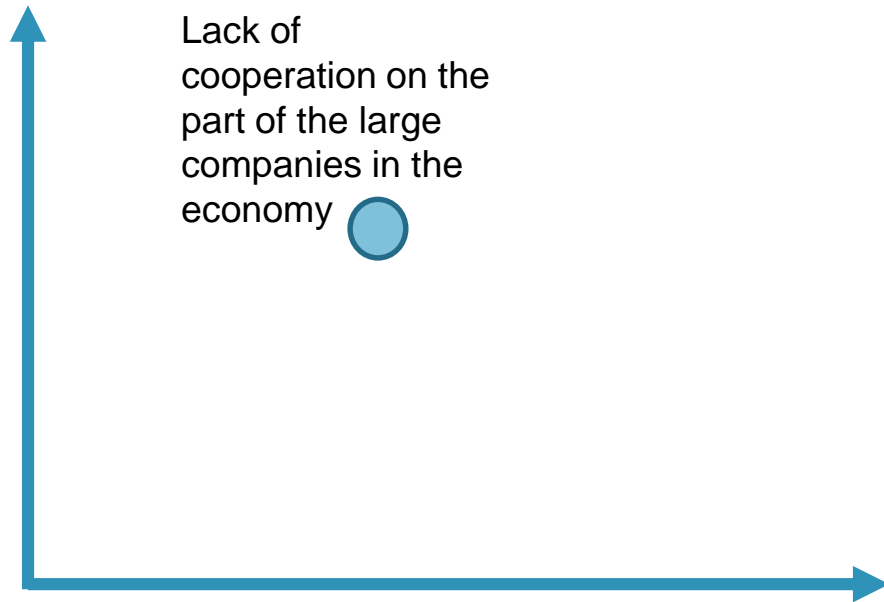


Implementation Plan



Risk & Risk Mitigation

Impact



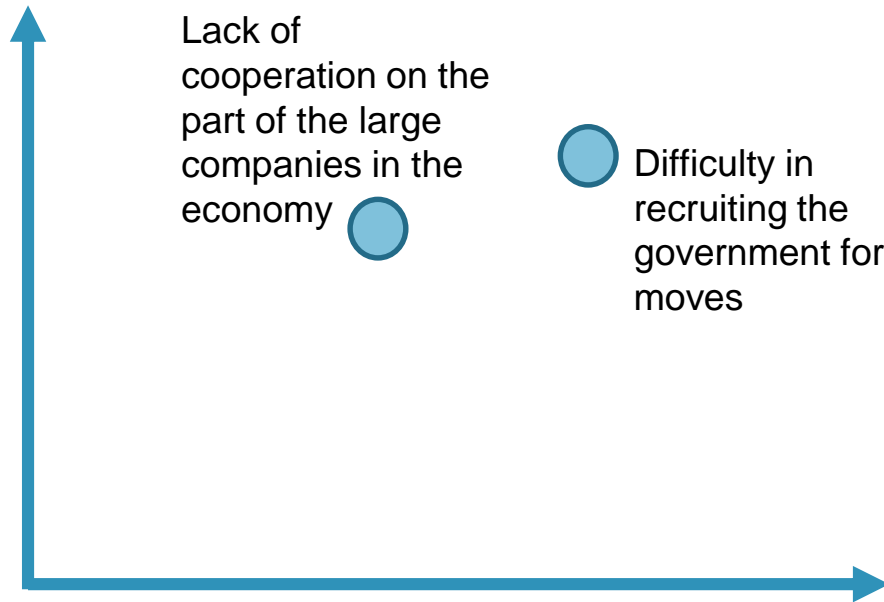
Probability

Risk	Mitigation
Lack of cooperation on the part of the large companies in the economy	Recruitment of medium-sized companies



Risk & Risk Mitigation

Impact



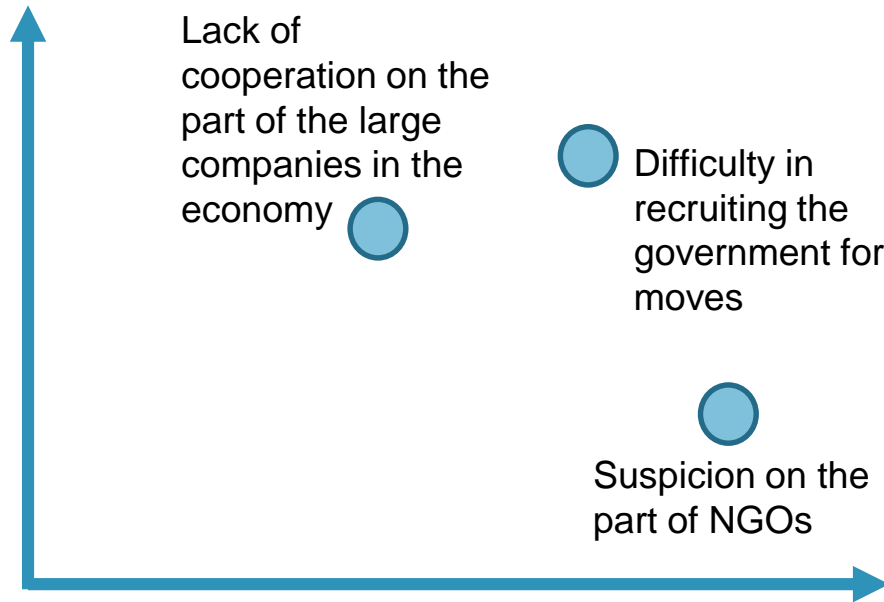
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Lack of cooperation on the part of the large companies in the economy	Recruitment of medium-sized companies
Difficulty in recruiting the government for moves	Use of economic power to persuade the government



Risk & Risk Mitigation

Impact



Probability

Risk	Mitigation
Lack of cooperation on the part of the large companies in the economy	Recruitment of medium-sized companies
Difficulty in recruiting the government for moves	Use of economic power to persuade the government
Suspicion on the part of NGOs	Clarifying the interests of each of the parties





Thank you!



The BGU Team