

## Inclusive Prosperity: Lessons from Ahilyadevi Holkar for Start-Ups and Social Development

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### Abstract

India has the rich and ancient heritage of history, culture and civilization. It carries the legacy of governance, agriculture, arts, commerce and trade too. This paper examines inclusive prosperity by drawing lessons from the governance philosophy of Ahilyadevi Holkar and its applicability to contemporary startups and social development. Known for her equitable and people-centric administration, Ahilyadevi Holkar promoted economic growth alongside social welfare through infrastructure development, support to local industries, and ethical governance practices. The study adopts a qualitative, interpretative approach to analyze how her principles align with modern concepts of sustainable entrepreneurship and inclusive business models. It emphasizes the relevance of community engagement, responsible leadership, and long-term value creation in today's startup ecosystem. The paper argues that startups integrating social responsibility with innovation can achieve balanced and sustainable growth. The findings indicate that historically rooted governance models provide a strong foundation for addressing present-day development challenges. The study contributes to the broader discourse on inclusive development by bridging traditional administrative wisdom with contemporary entrepreneurial strategies in an evolving global economy.

**Keywords:** *Inclusive Prosperity, Ahilyadevi Holkar, Social Development, Startups, Ethical Leadership, Sustainable Entrepreneurship, Community Engagement*

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### 1. Introduction

Inclusive prosperity is considered as a development paradigm that ensures equitable distribution of economic benefits across all segments of society. It has emerged as a central concern in contemporary economic policy and entrepreneurship research. This approach emphasizes participatory governance, equitable access to resources, and the empowerment of marginalized communities, thereby promoting balanced and sustainable development (Sen, 1999). While a significant body of literature examines these dimensions within modern institutional and policy frameworks, there is a growing recognition that historical governance models can provide valuable insights into achieving inclusive development outcomes (Sharma & Kamrah, 2025). Ahilyadevi Holkar, born in Chaundi village in present-day Maharashtra, ruled the Malwa kingdom under the Maratha Confederacy from 1767 to 1795, and her governance philosophy has attracted scholarly attention for its inclusive and welfare-oriented orientation. Historical accounts highlight her leadership as being grounded in decentralized administration, equitable justice systems, and extensive public welfare initiatives, which closely align with contemporary frameworks of inclusive growth in terms of accessibility, fairness, and community-centric governance (Sharma & Kamrah, 2025). Recent research in entrepreneurship underscores the growing importance of inclusive startups and social enterprises in expanding economic participation, particularly in emerging economies (Solevik, 2013). Maharashtra, recognized as a leading hub for startup activity and innovation-driven

policy initiatives in India, provides a relevant contemporary setting for examining how historical models of inclusive governance can inform present-day strategies. The state's startup ecosystem reflects deliberate efforts to democratize entrepreneurial opportunities across diverse demographic groups, thereby reinforcing the principles of inclusivity and shared growth (Times of India, 2025). These initiatives resonate with the governance ethos demonstrated by Ahilyadevi Holkar, particularly in fostering local enterprise development and social welfare. This paper integrates historical perspectives on Ahilyadevi Holkar's governance with contemporary discourse on inclusive entrepreneurship and social development, aiming to establish a conceptual linkage between traditional governance practices and modern startup ecosystems. It contributes to a deeper understanding of how historically grounded leadership models can inform present-day development strategies focused on inclusion, participation, and sustainable prosperity.

## **2. Background of Study**

Inclusive prosperity has emerged as a critical paradigm in contemporary development discourse, particularly in the context of widening socio-economic disparities and uneven access to economic opportunities across regions and communities. Modern research emphasizes that inclusive prosperity is not merely about economic growth but about ensuring that the benefits of development are equitably distributed through institutional support, financial inclusion, and participatory governance mechanisms. Recent empirical studies highlight that inclusive entrepreneurship, supported by policy frameworks, financial access, and knowledge ecosystems, plays a significant role in reducing inequality and fostering sustainable development outcomes in emerging economies (Vargas-Zeledon et al., 2024). Furthermore, the integration of financial systems with community-based support structures has been identified as a crucial driver for empowering small enterprises and promoting socio-economic inclusion, thereby reinforcing the broader objective of shared prosperity (Ramadhan, 2024). From a theoretical perspective, inclusive development aligns closely with the evolution of social entrepreneurship and digital financial inclusion, which have gained significant attention in recent years. Contemporary research demonstrates that digital inclusive finance not only alleviates credit constraints but also promotes entrepreneurial participation among marginalized groups, thereby contributing to broader socio-economic development and common prosperity (Yang et al., 2024). Additionally, the growing emphasis on inclusive social entrepreneurship reflects a shift towards business models that integrate economic objectives with social value creation, ensuring that innovation-driven growth remains accessible and beneficial to diverse population segments. These developments indicate that inclusive prosperity is increasingly being operationalized through entrepreneurship-led frameworks that combine technological advancement with social responsibility.

The values play a key role in shaping the societies, youths, economies to the great extent. They have great influence on the education, governance and ethics in public life (Gaikwad, 2014). The states like Maharashtra could create the value system leading to the startup ecosystems and policy-driven innovation initiatives for the welfare of people. The technological advancements and institutional support, challenges related to equitable access, regional disparities, and social inclusion continue to persist. This creates a compelling need to revisit historically successful governance models that integrated welfare with economic growth. The governance philosophy of Ahilyadevi Holkar offers a significant historical reference point, as her administration emphasized decentralized governance, community welfare, and support for local economic activities principles that align closely with modern inclusive development frameworks. By linking historical governance insights with contemporary entrepreneurial ecosystems, this study establishes a contextual foundation to understand how inclusive prosperity can be effectively operationalized in present-day startup-driven socio-economic development.

### 3. Scope and Significant of Study

The scope of the present study lies in examining the concept of inclusive prosperity through an interdisciplinary lens by integrating historical governance insights with contemporary entrepreneurial practices. It specifically focuses on deriving lessons from the governance model of Ahilyadevi Holkar and applying them to the modern context of startups and social development, particularly within emerging economies like India. The study encompasses key dimensions such as inclusive entrepreneurship, social equity, ethical leadership, and sustainable business practices, thereby offering a comprehensive understanding of how traditional governance philosophies can inform present-day economic frameworks. Recent research indicates that inclusive business models and social enterprises play a pivotal role in enhancing economic participation and reducing inequality, especially when supported by institutional frameworks and innovation ecosystems (George et al., 2021). Additionally, the expanding role of digital platforms and innovation-driven enterprises has widened the scope for inclusive development by enabling access to markets, finance, and knowledge for underrepresented groups (UNDP, 2023). The significance of this study is rooted in its attempt to bridge historical governance practices with modern startup ecosystems, thereby contributing to both theoretical and practical domains of research. Theoretically, the study enriches the discourse on inclusive development by introducing a historical perspective that complements contemporary models of sustainable entrepreneurship. Practically, it offers actionable insights for policymakers, entrepreneurs, and social enterprises to design inclusive strategies that balance economic growth with social welfare. In the Indian context, particularly in Maharashtra, where startup ecosystems are rapidly expanding, understanding inclusive frameworks becomes essential for ensuring that growth benefits are equitably distributed across different socio-economic groups. Empirical studies suggest that inclusive innovation and entrepreneurship significantly contribute to employment generation, poverty reduction, and regional development when aligned with supportive governance structures (OECD, 2022).

### 4. Objectives of Study

- To analyze the governance principles of Ahilyadevi Holkar that contributed to inclusive prosperity
- To develop a conceptual framework that links historical governance practices with modern inclusive start up and social enterprise strategies
- To examine Maharashtra's current socio-economic context and relevant policies for inclusive entrepreneurship
- To recommend actionable lessons for current startups and social development initiatives inspired by Holkar's governance model

### 5. Review of Literature

The concept of inclusive prosperity has been extensively examined in recent literature, particularly in relation to inclusive growth, social equity, and sustainable development. Contemporary studies emphasize that inclusive prosperity requires not only economic expansion but also equitable distribution of opportunities and outcomes across different social groups (Corrado & Corrado, 2024). Research indicates that institutional quality, access to finance, and inclusive policies play a critical role in fostering such development, especially in emerging economies. For instance, recent empirical findings suggest that inclusive growth frameworks that integrate social protection, entrepreneurship, and innovation significantly enhance economic participation and reduce income inequality. Global development reports highlight that inclusive prosperity is closely linked with human capital development and access to digital resources, which enable marginalized communities to participate effectively in economic activities (World Bank, 2023).

In the domain of entrepreneurship, literature increasingly highlights the role of inclusive startups and social enterprises as key drivers of socio-economic transformation. Studies suggest that inclusive entrepreneurship promotes participation from underrepresented groups, including women, rural populations, and economically disadvantaged communities, thereby contributing to balanced regional development. Recent research demonstrates that startups integrating social objectives with business innovation are more likely to achieve sustainable impact and long-term viability (Bacq & Lumpkin, 2021). Additionally, digital transformation has further accelerated the growth of inclusive entrepreneurship by providing platforms for access to markets, funding, and knowledge-sharing networks, thereby reducing traditional barriers to entry (Nambisan et al., 2019). These findings reinforce the importance of aligning entrepreneurial ecosystems with inclusive development goals to achieve broader societal benefits.

From a historical and governance perspective, limited but emerging scholarship has begun to explore traditional leadership models as frameworks for inclusive development. The governance of Ahilyadevi Holkar has been recognized in historical studies for its emphasis on welfare-oriented administration, decentralized governance, and support for local economic activities. Her policies focused on infrastructure development, promotion of trade, and community welfare, which facilitated economic stability and social cohesion. While historical analyses are largely descriptive, recent interdisciplinary approaches attempt to draw parallels between such governance models and modern concepts of inclusive leadership and sustainable development (Kulkarni, 2022). By integrating insights from historical governance with contemporary entrepreneurial research, the literature suggests a potential framework for developing inclusive and ethically grounded business practices that can address current socio-economic challenges.

## 6. Research Methodology

This research adopts a **qualitative secondary research design**, synthesizing peer-reviewed sources, scholarly books on Indian history, journal articles on inclusive entrepreneurship, and policy documents related to Maharashtra's start-up ecosystem. The approach encompasses:

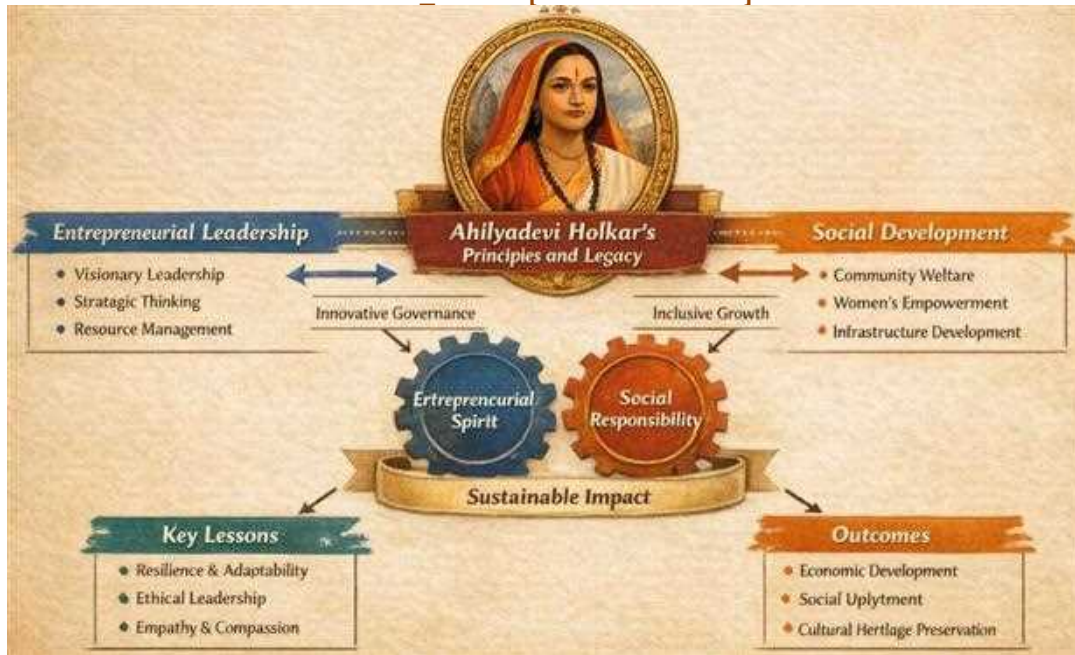
**Literature Identification and Collection:** A comprehensive search was conducted across academic databases, including Zenodo, Indian journals, and peer-review repositories, focusing on studies discussing Ahilyadevi Holkar's governance, inclusive development theory, and entrepreneurial ecosystems.

**Thematic Coding and Analysis:** Key themes such as decentralized governance, welfare provisioning, gender inclusion, and economic empowerment were identified and coded across historical and contemporary literature. This enabled the extraction of conceptual parallels between historical governance principles and modern inclusive entrepreneurship theories.

**Comparative and Interpretive Analysis:** Historical governance strategies were compared with contemporary inclusion and entrepreneurship frameworks. The analysis emphasized conceptual linkage rather than quantitative metrics, appropriate for qualitative secondary research.

## 7. Discussion and Analysis

Figure 1: Linking Entrepreneurship with Social Development- Past to Present



(Source: Author's Self-Interpretation)

The above figure illustrates how Ahilyadevi Holkar's governance principles integrate entrepreneurial leadership and social development to generate sustainable impact. Her focus on visionary leadership, strategic thinking, and resource management aligns with community welfare, women's empowerment, and infrastructure development. These dimensions are operationalized through innovative governance and inclusive growth, which foster both entrepreneurial spirit and social responsibility. The framework emphasizes key values such as resilience, ethical leadership, and empathy as driving forces. Ultimately, this integrated approach leads to economic development, social upliftment, and preservation of cultural heritage. The analysis of inclusive prosperity through the lens of Ahilyadevi Holkar's governance reveals a strong alignment between historical administrative practices and contemporary models of inclusive entrepreneurship. Her governance was characterized by decentralization, accessibility, and a focus on public welfare, which created an enabling environment for economic participation at the grassroots level. In modern terms, such an approach reflects the principles of inclusive innovation, where economic systems are designed to benefit diverse social groups rather than limited elite.

The recent studies indicate that inclusive institutional frameworks significantly enhance entrepreneurial activity by reducing structural barriers and promoting equitable access to resources. The integration of welfare-oriented policies with economic development strategies, as seen in Holkar's administration, mirrors current sustainable development approaches that emphasize social equity alongside economic growth. In the contemporary startup ecosystem, particularly in regions like Maharashtra, inclusive entrepreneurship has emerged as a key driver of socio-economic transformation. Startups and social enterprises are increasingly adopting business models that integrate profit motives with social impact, thereby addressing issues such as unemployment, financial exclusion, and regional disparities. The proliferation of digital platforms, fintech solutions, and government-backed innovation schemes has further strengthened the capacity of startups to reach underserved populations. Empirical evidence suggests that inclusive entrepreneurship not only contributes to job creation but also enhances resilience and adaptability within local economies (OECD, 2022). Additionally, digital inclusion has been identified as a crucial factor in enabling startups to scale their operations while maintaining accessibility and affordability for diverse

consumer groups (World Bank, 2023). The comparative analysis highlights that the principles underlying Ahilyadevi Holkar's governance such as ethical leadership, community engagement, and support for local enterprises remain highly relevant in the modern entrepreneurial landscape. These principles provide a conceptual foundation for designing startup ecosystems that prioritize long-term value creation over short-term gains. In particular, the emphasis on ethical governance and social responsibility aligns with the growing importance of Environmental, Social, and Governance (ESG) frameworks in business strategy. Contemporary research suggests that startups incorporating ESG principles are more likely to achieve sustainable growth and stakeholder trust (Eccles et al., 2020).

## **8. Findings of Study**

- The study finds that inclusive prosperity is most effectively achieved when economic growth is complemented by equitable access to resources, opportunities, and institutional support. The analysis reveals that governance models emphasizing decentralization, social welfare, and ethical leadership such as that of Ahilyadevi Holkar create a strong foundation for inclusive development. These principles align closely with modern frameworks of inclusive entrepreneurship, where participation from marginalized and underrepresented groups is essential for balanced socio-economic progress.
- The study further identifies that startups and social enterprises play a crucial role in operationalizing inclusive prosperity in contemporary economies. By integrating innovation with social objectives, startups contribute to employment generation, financial inclusion, and regional development. In particular, the adoption of digital technologies and platform-based business models has enabled wider outreach and accessibility, thereby reducing traditional barriers to entrepreneurship and market participation.
- Another key finding is that policy support and ecosystem development are critical determinants of inclusive entrepreneurial success. Regions such as Maharashtra demonstrate that government initiatives, financial incentives, and innovation policies significantly enhance startup participation across diverse demographic groups. However, the study also highlights persistent challenges related to unequal access to capital, digital divides, and skill gaps, which may limit the full realization of inclusive growth.

## **9. Conclusion**

The study concludes that inclusive prosperity is a multidimensional development approach that requires the integration of economic growth with social equity, ethical governance, and broad-based participation. By examining the governance model of Ahilyadevi Holkar, the study demonstrates that principles such as decentralization, welfare orientation, and community engagement have long served as effective mechanisms for achieving balanced and sustainable development. These historically rooted practices provide valuable insights for addressing contemporary challenges associated with inequality, exclusion, and uneven economic distribution. In the modern context, startups and social enterprises emerge as powerful instruments for translating the ideals of inclusive prosperity into practice. The increasing emphasis on innovation-driven entrepreneurship, digital inclusion, and socially responsible business models reflects a shift towards more equitable and sustainable development pathways. However, the realization of inclusive prosperity depends significantly on supportive policy frameworks, institutional mechanisms, and ecosystem-level collaboration among stakeholders. The study highlights that bridging historical governance wisdom with contemporary entrepreneurial strategies can create a robust framework for inclusive and sustainable development. The legacy of Ahilyadevi Holkar underscores the importance of ethical leadership and people-centric governance, which remain highly relevant in today's dynamic economic environment. By adopting such integrative approaches, policymakers, entrepreneurs, and

institutions can foster development models that ensure shared prosperity, long-term resilience, and socio-economic inclusiveness.

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