

Doughnut Economics:

Seven Ways to Think Like a 21st-Century Economist

By Kate Raworth

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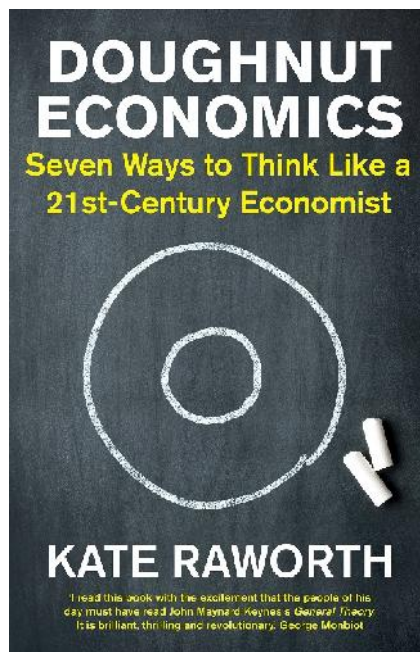
Early in his ministry Jesus went to the synagogue in Nazareth, where he read from the prophet Isaiah. The passage presents a vision of human thriving and restored wellbeing, promised long ago and now fulfilled, Jesus says, in his being amongst them. He announces “good news to the poor”, and proclaims “the year of the Lord’s favour”, an expression for the Year of Jubilee, when debts were to be written off and land returned to its original owners. The land itself would lie fallow, being rested from relentless exploitation. Thriving and wellbeing are expressed in economic terms.

This vision will find its ultimate fulfilment when the Kingdom of God is realised. Lesslie Newbigin encourages us to look forward to “the final goal of all God’s creative and redemptive love” and “until that day, we are called to seek on earth a society which... reflects the glory of the city to which we look forward.”¹ Whilst recognising that political and economic activity cannot of themselves establish that kingdom, we can nonetheless make common cause with people who share a similar vision, especially where they propose actions and policies that show respect for humanity and creation.

Kate Raworth’s *Doughnut Economics* is a good fit here.

She proposes that instead of starting economics with its long-established theories, we begin with ‘humanity’s long-term goals’ (p.10), setting out the vision which the book addresses: “Today we have economies that need to grow, whether or not they make us thrive: what we need are economies that make us thrive, whether or not they grow” (p.30).

The ‘Doughnut’ of the book’s title is formed by two concentric circles, the outer being the ecological ceiling beyond which there is ‘critical planetary degradation’, and the inner being a social foundation, within which lies ‘critical human deprivations such



as hunger and illiteracy’. Between them is the Doughnut, “the space in which we can meet the needs of all within the means of the planet” (p.10).

Raworth is forthright in her rebuttal of twentieth-century neoliberal economics, a story ‘in which we go to the brink of collapse’ (p.68). Her analysis proposes a new story, with a cast of eleven: the earth, society, the economy, households, the market, the commons, the state, finance, business, trade and power. This sets the scene for a wide-ranging analysis of how each of the cast could be ordered so as to contribute to a sustainable and thriving world within the space of the doughnut.

As her analysis develops, she challenges various assumptions which have formed the basis of economic analysis and which, if allowed to continue unchecked, will prevent the transformation of the economy and the world’s systems which we urgently need. She begins by looking at human nature, questioning the notion of the self-interested economic man. Adam Smith introduced this trait and his successors have largely followed this. Bringing in insights from anthropology, she optimistically suggests that this is not the whole story, and that humanity has a greater capacity for altruism, cooperation and reciprocation than much economic analysis assumes. Nurturing the better expressions of human nature offers the possibility of positive outcomes.

Raworth sums up her recipe for ways to thrive while recognising ecological limits in seven key recommendations: Change the Goal; See the Big Picture; Nurture Human Nature; Get Savvy with Systems; Design to Distribute; Create to Regenerate; Be Agnostic about Growth.

Her optimism sets the confident tone for the book: working together, humanity can avert disaster for themselves and for creation. Were it not so, the detailed proposals she sets out would scarcely be worth making. This focus on human motivation sets the book apart from the many volumes which rightly warn of environmental catastrophe but simply propose functional remedies, legislation and targets. If the course of history and the way we use the resources of the ‘living planet that supports us’ (p.74) are to be changed, the starting-point must be with the individual.