



Review of *Doughnut Economics: 7 Ways to Think Like a 21st Century Economist* by Kate Raworth. 2017. White River Junction, VT: Chelsea Green Publishing. 320 pages, ISBN 978-1 6035-8674-0 Cloth (\$28.00)

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Kate Raworth's *Doughnut Economics: 7 Ways to Think Like a 21st Century Economist* pursues an ambitious goal: formulating a new set of rules and insights to guide the global economy and help in tackling present-day challenges. Its premise is as clear as it is justified (7): "The leaders of 2050 are being taught an economic mindset rooted in the textbooks of 1950, which in turn are rooted in the theories of 1850." This well-taken adage is but one of many instances in which Raworth displays a clarity of vision that is as inspiring to academic readers as it is accessible to the interested public. Her conviction that images are crucial in how we understand the world, and our place in it, is manifest throughout the book: her metaphors range from a Polanyiesque embedded economy nestled within earth and society to, most notably, the book's eponymous model: the Doughnut. The image is intuitive: in between planetary degradation on the exterior, and human deprivation on the interior, wedged in between the "ecological ceiling" on the outside and the "social foundation" ring on the inside, sits the "safe and just space for humanity"—thus, the Doughnut (see Figure 1). If one manages to ignore that this baked good symbolises everything that is wrong with the global North's predilection for excessive, fatty, carbon-intensive diets, the Doughnut provides an accessible model for framing the book's key question: "If humanity's twenty-first



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century goal is to get into the Doughnut, what economic mindset will give us the best chance of getting there?” (10).

In reply to this query, Raworth sets out seven ways to think like a 21st century economist:

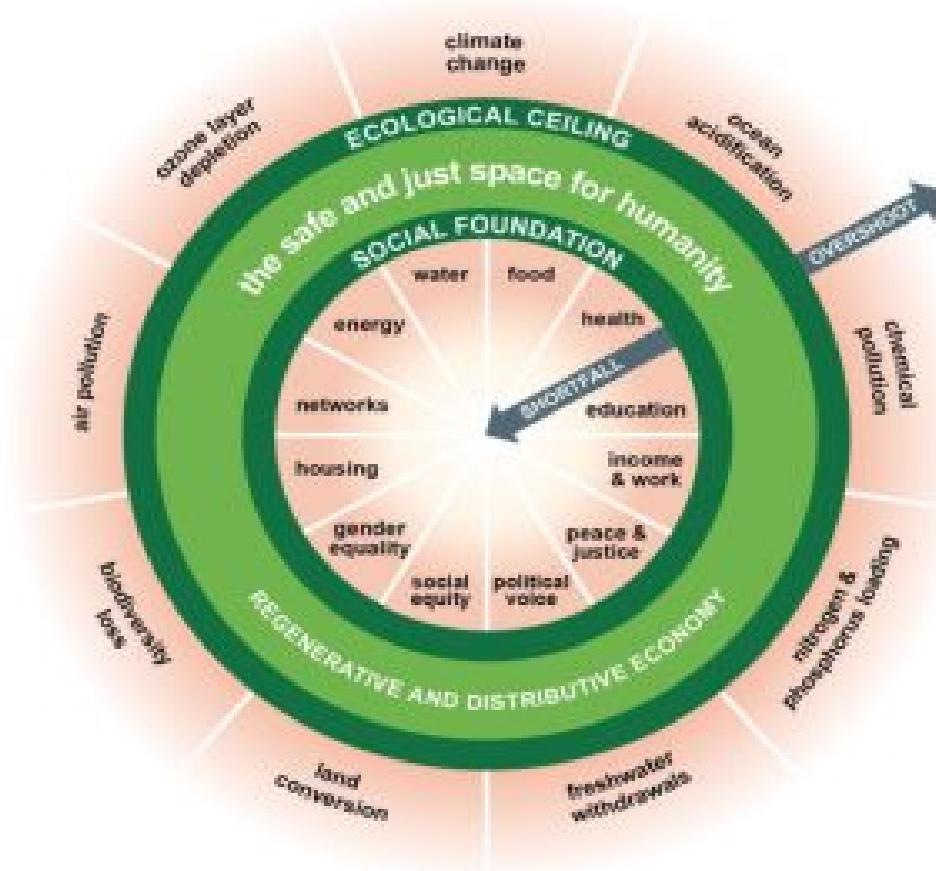
1. changing the goal, i.e. no longer using GDP as the predominant measure of progress;
2. raising questions about what the economy contributes to in the bigger picture;
3. nurturing human nature instead of the self-interested, isolated, calculating rational economic man, i.e. the kind of people you would never want in your life, let alone running the world;
4. getting savvy with systems, i.e. thinking in systems and feedback loops instead of mechanical supply-demand equilibria;
5. designing to distribute instead of the debunked ‘growth will produce equality’ Kuznets curve;
6. creating to regenerate instead of the equally debunked ‘growth will clean it up’ Environmental Kuznets Curve; and,
7. being agnostic about growth, i.e. not having economic growth irrespective of whether people thrive, but prioritising thriving people irrespective of economic growth.

Kate Raworth’s intention is commendable. There is little about these goals with which I would disagree; indeed, I wholeheartedly believe there is a dire need to move away from the supremacy of infinite growth and ultracompetitive ways of organising the world. Building carefully on existing economic thinking through broad referencing and novel ways to bring different economists’ voices into conversation with each other, her book opens a much-needed conversation space for where to go from here for a future worth living. However, despite the book’s many strengths, the more I read, the more I began to question whether it fully succeeds in meeting its own aspirations.

The first set of question marks arises regarding the book’s eponymous alternative model, the Doughnut. The Doughnut builds on established research: its environmental dimension in terms of the outer “critical ecological degradation” sphere and the ecological ceiling (i.e. the outer boundary of the doughnut) draw on earth system science, utilizing Johan Rockström and Will Steffen and colleagues’ respected planetary boundaries framework. To identify the social foundation of the “safe and just space for humanity”, i.e. the Doughnut’s inner boundary, Raworth uses a boiled down version of the United Nations’s 17 Sustainable Development Goals (SDGs) as a floor to prevent “critical social deprivation” (the Doughnut’s inner hole). As is often the case, the premise’s greatest strength—simplicity—arguably is also its greatest weakness as it throws into question how much of a departure from conventional wisdom it really constitutes. While it draws on arguably the most universally accepted governance framework we have in the SDGs, it also

entirely ignores the SDGs' environmental dimensions. Moreover, this also means that the Doughnut makes no effort to account for and even replicates both frameworks' blind spots. In the social sphere, it ignores arts and culture, which the SDGs equally sideline. In the environmental dimension, 2.5 of the nine planetary boundaries, even in planetary boundaries' latest 2015 update, are not yet quantified or measurable. Moreover, as in both frameworks, there is no acknowledgement of trade-offs which will be required, e.g. between climate action (SDG 13) and sustainable consumption and production (SDG 12), and no critical discussion of what goals or boundaries should take precedence.

Figure 1: The Doughnut



Source: "Kate Raworth: Exploring Doughnut Economics"; <https://www.kateraworth.com/doughnut/>

Secondly, the Doughnut's universal aspiration risks inapplicability to any one specific context. In the book itself (chapter 1, pp. 38-44), there is very little information on how Raworth has identified the Doughnut's "social foundation" inner ring and the twelve factors which constitute it, with details only provided in a 4.5-page appendix. One might argue that the lack of information regarding the source of data for individual indicators (though the table as a whole is

referenced) is further evidence of the book being predominantly aimed at the interested public rather than a more narrow academic audience. Upon closer investigation, however, it becomes evident that Raworth has taken some liberties with both the Sustainable Development Goals and the planetary boundaries framework without explaining how and why.

The author provides no account, for example, of how she derived the twelve factors constituting the Doughnut's "social foundation" from the 17 SDGs. Similarly, the indicators for measuring the twelve factors, some of which are also split into two indicators without explanation, oscillate between industrialized- and developing-country contexts—a balancing act that the book in general does not always pull off successfully. For instance, while the housing indicator builds on a 2012 figure of the urban population living in slum housing in developing countries (how reliable can that count be?), one might ask why the aggravating shortage of affordable housing in the global North, which has contributed to the rise of populism in several industrialized countries, does not feature. For education, the Doughnut's two indicators reflect adult illiteracy and the percentage of children ages 12-15 not in school—the rationale underlying either selection as a proxy for educational attainment worldwide would equally have merited an explanation. Similarly, why is an undernourished population a good indicator of food availability, rather than malnourishment, food security, etc.?

On the environmental side, Raworth relies exclusively on Rockström and colleagues' planetary boundaries framework yet ignores their differentiation between functional diversity (which is not yet measurable) and genetic diversity in favour of a lumped-together "biodiversity loss"; she also replaces some of their terminology: "novel entities" becomes "chemical pollution," and "atmospheric aerosol loading" becomes "air pollution," for example. Again, none of these choices is clearly explained.

The final, perhaps most fundamental question mark arises regarding the Doughnut's strict separation of the social and environmental spheres without any discussion of political linkages. This delineation is all the more unusual since their intertwined nature, particularly for food or water, cannot be overstated. As Perreault (2009) points out, development is always and necessarily an environmental project; questions about justice involving disadvantaged contexts intrinsically encompass both social and environmental considerations (cf. Joan Martinez Alier's environmentalism of the poor, 2013). In some ways, the Doughnut replicates a much-questioned feature (e.g. Adams 2009) of the Brundtland definition of sustainable development, which is unashamedly anthropocentric while insufficiently acknowledging that the way we meet socio-economic needs is inextricably bound up with how we use environmental resources. What is more, this strict separation between the Doughnut's inner social and outer ecological sphere ignores that the distribution of environmental resources is subject to socio-political struggles.

Perhaps not surprisingly, then, the political dimension is severely underrepresented throughout the book. Since Raworth herself reports witnessing first-hand “barefaced power games block progress in international negotiations” while working at UNDP (8), it is even more surprising that power and politics are virtually absent from her book overall. Would one key prerequisite for reality-checking economics not be to force it to incorporate power, a disciplinary blind spot she herself acknowledges?

These questions recur to the reader throughout: the issues of being captive to conventional wisdom, universal aspirations equating to inapplicability to any one context, and underplaying the links between social, environmental and political considerations, are emblematic of some of the larger concerns I have about the book. If the core objective is to overhaul a discipline, why write a book that appears to be aimed at a general audience and/or students to achieve it? It is neither a textbook nor an academic tome, but seems to be aimed at the interested layperson, which I ordinarily welcome. Yet if the objective is rewriting the rationales of economics, will it reach the relevant audiences if economics professors do not put it on reading lists?

Moreover, does the book go far enough in questioning economics’ current blind spots? Firstly, Raworth does not address sufficiently Aristotle’s distinction between *oikonomia* and *chrematistike*, and the problem that *chrematistike*, the desire to acquire wealth, is scuppering *oikonomia*, sound household management. If one does not sufficiently question the world’s desire to acquire wealth, is a sufficiently alternative mindset even possible? If one argues (well) against the primacy of growth, but does not address the underlying problem of insatiable pursuits of wealth, how suitable is the resulting blueprint for the 21st century likely to prove? Secondly, if a book is unwilling to challenge economics’ ability always to find the best answers, does it not impede its own ability to run far enough away from the walls which have built economists’ empire, but also blinkered their thinking for so long? To my mind, the book’s painstaking efforts to retrace and reinterpret existing thinking by key Northern economists implicitly upholds the primacy of economics and economists from the global North. Incidentally, this same mindset has also become apparent in the top ten list of development thinkers published by Oxfam, Raworth’s former long-time employer, which is equally heavy on economists active or trained in the global North (usually male).

This brings us to one final key non-sequitur. The book appears predicated on current systems shifting towards Doughnut thinking of their own accord, convinced by the manuscript’s (sound) arguments. That ignores not only that those in power currently appear to be feeling insufficient pressure from investors, governments or universities to shift towards Doughnut thinking, but also that this paradigm-shifting groundswell did not even materialise after the 2008 financial crisis which Raworth discusses. It is odd how far away that calamity, despite its ever-present tentacles,

feels even ten years later, especially as some current crises—populism and xenophobia, terrorism, migration, women’s underappreciated (re)productive work—feel oddly underaddressed by this book. This recalls the prior observation that Raworth seeks to speak to all contexts equally, but thus inherently struggles to acknowledge the extremely uneven conditions that those seeking to champion people and planet in Manchester, Manila, Maputo or Mississippi face. How can the Doughnut overcome industrialised countries kicking away the ladder? How does it enable citizen-led, gender-equal, context-specific efforts through grassroots thinking?

The book’s pitch, as explained above, appears to favour a broader audience, which by extension means that the intended change in the world is expected to come from bottom-up, groundswell Doughnut activity. But if that is the case, instead of reinterpreting economics’ conventional wisdom, would it not be far more essential to provide a plethora of practical socio-environmental examples to guide supporters in creating a safe and just space for humanity at micro, meso or macro scales? While Raworth’s promotional YouTube videos reference local government efforts to operationalise the Doughnut, the book itself is light on examples of how individuals, local businesses, municipalities or national governments could implement Doughnut thinking in everyday decision-making. This is particularly disappointing given Raworth’s own wealth of experience working in global North and South and, would to my mind, be the key weakness to rectify in any potential second edition. The examples that are given, such as terraced farming in Ethiopia that restores desert to arable land, or Swiss time-banking for a sharing economy, are encouraging gems. However, there could have been far more focus on how committed readers could translate this book into action, whatever their context.

Kate Raworth raises a diversity of highly relevant points in a well-written and thoughtful way, meriting a read for anyone worried about the current state of the world. Nevertheless, her book’s above-discussed issues recall certain biases and blind spots which in my view plague broader current thinking. Indeed, I might argue that jettisoning economics-centred conventional wisdom and universally applicable, Northern-conceived solutions, while acknowledging and addressing the inequalities and unevenness perpetuated by socio-environmental dynamics, are fundamental prerequisites for moving into Raworth’s “safe and just space for humanity.”