DOUGHNUT ECONOMICS
Seven Ways to Think Like a 21st-Century Economist
KATE RAWORTH
@KateRaworth
Those attempting to guide the economy and our societies are like pilots trying to steer without a reliable compass.

Stiglitz, Sen & Fitoussi 2009
VASAKRONAN
8-11 May 2017, Stockholm
20TH CENTURY ECONOMICS
What is the economy?
What is the economy?
How does it work?
How does it work?
How does it work?
How does it work?
How does it work?
What is it for?
What is it for?
ECONOMICS
THE NEOLIBERAL STORY
STARRING

THE MARKET . . . . . which is efficient – so give it free rein
FINANCE . . . . . . . which is infallible – so trust in its ways
TRADE . . . . . . . . which is win-win – so open your borders
THE STATE . . . . . . which is incompetent – so don’t let it meddle
ECONOMICS
THE NEOLIBERAL STORY

NOT STARRING

THE HOUSEHOLD . . . which is domestic – so leave it to the women
THE COMMONS . . . . which are tragic – so sell them off
SOCIETY . . . . . . . which is non-existent – so ignore it
EARTH . . . . . . . . which is inexhaustible – so take all you want
POWER . . . . . . . . which is irrelevant – so don’t mention it
JOURNEY TO THE BRINK OF COLLAPSE
21\textsuperscript{ST} CENTURY ECONOMICS
HUMANITY’S 21ST CENTURY CHALLENGE
The economy is embedded
How does it work? It’s complex . . .

- eggs
- chickens
- road crossings

Diagram showing R and B.
Economists need a metaphorical career change
Make it distributive and regenerative by design

- REGENERATE and capture value at each stage of decomposition
- TAKE
- MAKE
- CONSUME
- USE
- minimise lost matter and heat
- RESTORE repair, reuse, refurbish, recycle
- renewable materials
  - biological nutrients
  - technical nutrients
Be agnostic about growth
Be agnostic about growth
ECONOMICS
The 21st century story

STARRING

EARTH ........... which is life-giving – so respect its boundaries
SOCIETY .......... which is foundational – so nurture its connections
THE HOUSEHOLD .. which is core – so value its contribution
THE MARKET ....... which is powerful – so embed it wisely
THE COMMONS ... which are creative – so unleash their potential
THE STATE ......... which is essential – so make it accountable
ECONOMICS
The 21st century story

STARRING

FINANCE . . . . . which is in service – so make it serve society
BUSINESS . . . . . which is innovative – so give it purpose
TRADE . . . . . . which is double-edged – so make it fair
POWER . . . . . . which is pervasive – so check its abuse
Article 1

The aims of the Organisation for Economic Co-operation and Development (hereinafter called the "Organisation") shall be to promote policies designed:

(a) to achieve the highest sustainable economic growth and employment and a rising standard of living in Member countries, while maintaining financial stability, and thus to contribute to the development of the world economy;
Article 1

The aims of the Organisation for Economic Co-operation and Development (hereinafter called the "Organisation") shall be to promote policies designed:

(a) to create regenerative and distributive economies that meet the needs of all within the means of the planet and that enable humanity to thrive, whether or not they grow.
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KATE RAWORTH

kateraworth.com/animations
@KateRaworth
Regenerative

Distributive

equitable overshoot

Degenerative

circular elitism

Divisive

Income per capita
Five business responses to the Doughnut

Be generous

Do ‘mission zero’

Do your fair share

Do what pays

Do nothing