# USING DOUGHNUT ECONOMICS TO ADDRESS SUSTAINABILITY CHALLENGES

A SHORT REPORT FOR HOUSEHOLDERS' OPTIONS TO PROTECT THE ENVIRONMENT (HOPE) INC. - JANUARY 2022
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## The HOPE organisation's interest in doughnut economics

Over the last few years, the HOPE organisation has become increasingly interested in exploring the implications and possible regional applications of various sustainable development initiatives which share some common important features. These include the incorporation of greater levels of authentic citizen participation within better forms of representative government and democratic decision making; and the application of new forms of economic thinking which can deliver us from the manifest problems created by 40 plus years of neoliberal capitalism - an economic model which is clearly no longer fit for purpose to take us toward a genuinely sustainable local and global future.

In the context of the promotion of such new ideas, in 2019 HOPE produced reports on participatory democracy initiatives, and how these could be applied to develop citizen participation within local government decision making in this region. We then produced a podcast series in 2020: After the Virus in S.E. Queensland, during the early stages of the COVID-19 pandemic, which explored the experience and ideas from a range of regional sectors which could help develop a climate positive, economic recovery after the pandemic in this part of the state. We followed this with another podcast series: Eco-Social Work in Australia (launched June 2021) which discusses, with some visionary practitioners, the potential for pro-active, physical environment responses within the mainstream social work profession in this country.

HOPE's latest interest in promoting fresh thinking about the future has focussed on the intriguingly named doughnut economics model of alternative economic development, and some possible local applications of this new way of approaching sustainable development challenges. We hope that this brief report will stimulate readers to do their own further research on this promising framework which can help engage citizens and communities on sustainability challenges in inspiring and creative ways.

## The core ideas underlying doughnut economics.

According to <u>Kate Raworth</u>, originator of the concept, doughnut economic thinking is aimed at tackling humanity's key 21st century sustainability challenge: to meet the needs of all within the means of the planet. Her model proposes that this objective will be achieved when no one falls short on life's essentials, such as food, housing, healthcare and political voice, whilst at the same time development actions must ensure that we do not over shoot the life supporting systems on which we fundamentally depend, such as a stable climate, fertile soils and a protective ozone layer, to name a few. This is a concept about providing a safe and fair space for humanity to exist within a regenerative and distributive economy. According to Raworth, this <u>'safe space'</u> for human and other species wellbeing, delineated by social and planetary boundaries, is a playful but serious approach to framing future development challenges and can act as a compass for human progress this century.

## Why was the model developed?

<u>Doughnut economics</u>, along with alternative economic concepts such as the <u>circular economy</u>, the <u>green new deal</u> and <u>wellbeing economics</u> have originated in the context of a <u>growing critique</u> of mainstream, traditional forms of capitalism as the prime economic development model. The preoccupation with economic growth for its own sake and the use of crude aggregate indicators to assess progress, for example in the form of gross domestic product, have been cited as major underlying drivers of a host of sustainability problems from climate disruption to biodiversity loss, from social inequality to growing political polarisation.

In the light of <u>such criticism</u> newer forms of alternative economic thought such as Doughnut Economics have gained ground recently. They have brought greater focus onto the importance of the social justice and environmental, not just the economic 'pillars' of sustainability. Providing a development system that can properly factor in and balance the underpinning economic, social and environmental support needed to create a good quality of life for humans and other species has long been the holy grail of the concept of sustainable development.

Originally dating from a 2012 book, the doughnut economics model is a fairly recent addition to long-standing efforts over the last 50 years or so to rethink and promote reforms to free market, neoliberal capitalism. It joins a list of seminal work including The Limits to Growth and Blueprint for Survival reports of the early 1970s, themselves based on earlier ecological and steady state economics ideas. Then work in the 1990s helped develop indicators of progress or sustainability indicators such as the Human Development Index or Genuine Progress Indicator – which were not just based, simplistically, on aggregate economic output. Within the last 10 to 15 years, we have seen other economic alternatives to traditional neoliberal capitalism come forward in the form of the circular economy, the green new deal and wellbeing economics as already mentioned.

# Some characteristics of the doughnut economics model

- It can be considered an <u>ecological economics</u> model that seeks to integrate some of the advances in economic and sustainability development thinking of the last 40 or so years into an accessible and easy to comprehend framework. This can then be used to help facilitate community decision making and preparation of participatory policies, strategies and plans aimed at delivering authentic sustainable development outcomes.
- It is a capacity building initiative which provides a theoretical framework and uses validated engagement processes to work with communities at various spatial scales to help them envisage

and implement more truly sustainable forms of development relevant to their locations. As with all such work, good levels of stakeholder engagement are required for maximal effectiveness.

- It is one of the most recent attempts to help operationalise the sustainable development goals (SDGs) as representing the social foundation of a sustainable and equitable form of development, whilst also recognising the reality of the planetary boundaries mapped out by contemporary earth system science. These describe the environmental or ecological limits we must not exceed if we want to be truly sustainable as a global community for the long term.
- It is a framework which supports the genuine integration and attempted balance of the <a href="three-pillars of sustainability">three economic</a>, social and environmental dimensions which should underpin, theoretically, all development decision-making. It also incorporates local/global and present/future perspectives within its conception of a 'safe space' for humanity within a genuinely sustainable world.
- It supports the important principles of <u>civic participation</u> within political, truly democratic forms of decision making, recognising that there is value in enabling citizens to make active contributions to decisions which aim to achieve genuine sustainable development.
- It is a model which employs some familiar community engagement methods, as introduced by Kate Raworth in a recent video on doughnut economics applications: visioning of a preferred future; development of indicators to better represent authentic economic, social and environmental dimensions of that preferred, sustainable future; some form of gap analysis to compare envisioned outcomes with existing development policies, strategies and plans; and finalising, collectively, future action plans to help achieve the fresh, envisaged outcomes for the area.

#### How have doughnut economic ideas been used to date?

Since Raworth's original work on the concept in 2012, a growing number of places around the world have been working on how to operationalise (downscale) the model relevant to their own locality. These include the cities of Berlin, Brussels and Amsterdam in Europe, the nation of Wales in the UK, the cities of Philadelphia and Portland in the USA and Sydney and Melbourne in Australia, the latter as part of the Regen Melbourne initiative. A growing knowledge base and case study examples of practice evolution have been collated onto the Doughnut Economics Action Lab (DEAL) website.

## Outline of the doughnut community engagement process

Interested citizens from a town, city or region are convened into a number of roundtable or workshop events and introduced to the doughnut economics model as a way of envisaging and developing a new, truly sustainable future for their areas. The basic principles of the model are covered in early discussion. This discussion would include the downside problems caused by neoliberal economic development at a social, environmental, and financial level, and the ways in which a doughnut economic, alternative framing might address such problems. Case study examples of existing communities they have used the model over the last few years can also be described in outline.

The core exercise used in the engagement process then involves asking community participants four foundational questions, arranged to help them articulate the outlines of a prosperous social foundation relevant to their area, but also one that can exist within the limits set by the ecological

boundaries of that area. These questions also cover global concerns to be considered when developing this outline 'portrait' for the area.

These questions are in the form of:

How can all the people of our place thrive?

This question goes to the adequacy of the prosperous social foundation of a place as measured by indicators adapted from the sustainable development goals, for instance, as regards the sustainable provision of food, water, health, education, housing and energy.

How can our place be as generous as the wild land next door?

This question was developed from the field of <u>biomimicry</u> in the realisation that the natural world and its processes offer us a model of natural sustainability; a form of ecological circular economy in which pollution does not occur, in which all wastes are recycled and in which the interactive resources of the natural system, if it is in ecological health, is rarely exhausted or over-exploited.

How can our place respect the health of the whole planet?

This question is a cue for participants to consider how their operations, for example in terms of local mobility, trying to create a circular economy in relation to waste management, or transforming local food systems, fit in and align with relevant planetary boundaries, for instance, concerning climate change, chemical pollution and biodiversity loss, amongst others.

How can our place respect the well-being of all people?

Participants are encouraged to use this question to think about the basis of a good social foundation to their local economy but where possible to also ensure that this foundation is commensurate with sustainable development goal categories as they reflect the wellbeing needs of other, connected communities, workers or providers around the world.

The participant roundtable process then proceeds by using each of these focus questions to illuminate the implications for progressing sustainability concerns in the local area relevant to the particular interests of participants – for example in the provision of local housing or conservation and expansion of green spaces.

For each problem topic identified by the group, the same matrix of questions is used in an iterative manner, factoring in the context of the relevant sustainable development goal categories and planetary boundary elements of the doughnut model. The result is the beginning of a vision for sustainable improvements in the area. This visioning process can also consider existing policies, strategies and actions already on the table, as well as likely challenges or new solutions that may be on the horizon. Such a wide-ranging view aids the selection of innovative new objectives which could help address development challenges in a more informed and holistic manner. Finally, the interconnections of stakeholders and the networking involved in making such a vision more possible are also mapped out as potential resources within the collective, collaborative design process.

A good explanation of this process can be found in a <u>recent presentation</u> by Kate Raworth made for the Wellbeing Economy Alliance, Wales, UK (September 2021).

## Use of the model in Toowoomba and the Darling Downs?

To be maximally effective, as with any community capacity building initiative which seeks to enhance citizen participatory involvement in decision making processes, the civic engagement objective offered by the Doughnut Economics model would need to be run in close partnership with

relevant state or local government, as well as other key stakeholders. One ideal local approach, for example, would be to see a group or groups of local citizens convened, in conjunction with local government, the business, academic and NFP sector, to help develop and co-design a visionary city and regional doughnut sustainability portrait. This could then form the basis for subsequent policy and planning which could deliver a truly sustainable, integrated, social, environmental and economic future for the Toowoomba Regional Council area.

In the absence of an opportunity for a full exploration of the doughnut economics community engagement process, partial use of some aspects of the model could be considered as follows.

- As an introductory proof of concept process to encourage greater citizen participation in decision making to help develop a prosperous, socially just and ecologically sustainable future for the region. The initial visioning aspects of the community engagement process could be run as physical or virtual round table workshops.
- Local environment and advocacy groups could use the model to align their existing conceptions of regional sustainability challenges with wellbeing economic precepts. The visioning output of the model could help recast existing forms of community engagement exercises offered by these groups; and perhaps form the basis for future advocacy through their calls to government for more action on issues identified by local citizens. These groups could also call for a fully-fledged and funded application of the doughnut economics engagement process for this region.
- The Voices of Groom initiative, with its objective of bringing greater citizen participation into the federal election process, might also consider using aspects of this model. Particularly in the aftermath of the 2022 election itself, and on the assumption that the Voices group stays together to take a longer-term view of integrated, social, environmental and economic development imperatives for the region.

## Convening a local community stakeholder group to use the doughnut model?

- And initial online workshop would outline the basic principle of doughnut economics and its potential to enable community stakeholders to become actively involved in a visioning process. A core question of that process would ask what it would require for this regional community to thrive in a truly sustainable and prosperous future.
- A second workshop would provide a roundtable process using online tools such as <u>Slack</u> and <u>Miro</u> to explore what an SDG inspired social foundation within planetary boundaries could look like for improved development on some of the key topics of sustainability concern for this region.
- A third workshop could be used to refine the ideas developed in workshop two and to discuss how the sustainability vision so produced could be taken to political representatives and other influential stakeholders. A decision might then be made to call for an extended and properly funded doughnut economics collaboration exercise in the region. A more comprehensive exercise would be wise to incorporate and build upon all work achieved in the three initial workshops described.

#### **Conclusions:**

The criticisms of conventional neoliberal capitalist and growth orientated economic development continues to gain pace. It seems clear that if we really want to achieve progress on serious challenges such as global heating and climate disruption, the risk of future pandemic disease, growing social inequality and its impacts on human health, and the devastating destruction of the natural world and living things, we must address the ultimate causation of these problems. That causation lies within the now-defunct model of progress associated with neoliberal capitalism – a model which is clearly no longer fit for purpose to ensure a sustainable future in the 21st-century.

New forms of economic development thinking, be they doughnut economics, the circular economy, the greening of the conventional economy, or wellbeing economics analysis, all provide exciting, alternative approaches to dealing with the crucial sustainability challenge of achieving fundamental economic reform. As a model of ecological economic thought and as a community capacity building framework, doughnut economics is one of the freshest and most promising of these approaches to rethinking what economics could and should actually be about, primarily - the enhancement of human and other species wellbeing. It would be exciting to see experiments conducted with this new approach, involving a wide range of stakeholders within the Toowoomba Regional Council area. Ours is a region facing a myriad of interlinked sustainability challenges, and one which would benefit greatly from taking a completely fresh look at the way current development takes place here.

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