
ON 'DOUGHNUT ECONOMICS': REFLECTIONS ON ITS IMPLICATIONS AND RELEVANT POLICIES

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Abstract:

The latest developments in the science behind environmental and climate change have demonstrated a failure of the mainstream economics model to offer strategies and policies to circumvent and revert such issues. Recently, Oxford economist Kate Raworth (2022[2017]) has produced The Doughnut Economics Model that is portraying the economy as a system embedded in the social and ecological boundaries, and it is based on the Sustainable Development Goals elaborated by The United Nations and the nine planetary boundaries espoused by Rockstrom et al (2009). The model is fundamented by seven principles. One of the most important principles is the challenge brought to Gross Domestic Product as an indicator of economic growth, whilst prosperity can be achieved through meeting the needs of the people and planet. This paper investigates the Doughnut Economics model as a heterodox economics proposal to ensure a sustainable development of our economies and societies and its conceptual and pragmatic, policy implications. The paper urges caution regarding the necessary role of a 'benevolent state' in applying policies that help nations to 'live' and function in the Doughnut, and brings evidence that, globally, very few countries or cities are applying The Doughnut's economic, social and ecological principles.

Key words: *heterodox economics, sustainability, Doughnut Economics model, ecological economics, degrowth.*

1. Introduction

In 2025, The Nobel Prize for Economics was awarded to Joel Mokyr, Phillippe Aghion and Peter Howitt, for contributions to the causes and significance of “sustained growth”. The winners argue that, over the past 200 years, humanity experienced a “sustained” economic growth, due to technological development, useful knowledge and innovations, and more importantly, to *creative destruction a la Schumpeter*. These economists argue for the importance of continued economic growth, measured as Gross Domestic Product and for the necessity of openness of society to change and technological evolution. This award illustrates the general state of mainstream economics, that is at odd with the evolution of debates inside the discipline, and why not, within society.

For many years now, the criticism brought by various prominent economists to the measurement of progress of our economies and the obsession of advancing economic growth and Gross Domestic Product as a token of economic and social welfare, have mounted particularly in heterodox economics. Through the term heterodox economics, we understand an opposition to mainstream economics on ontological, theoretical, methodological and ideological grounds and we refer to a variety of economic schools of thought such as Austrian, Post-Keynesian, Feminist, Institutional, Marxist economics and so forth. These economic schools of thought characterize both the economic thinking in the Global North and the Global South. The thinking that we are most interested in, is the heterodox environmental and ecological thinking, that has evolved in the past 40 years into a rich bundle of ideas about the environment, climate change and green/ecological policies and which contest the “weak sustainability approach of the mainstream” and the so-called “lack of urgency and optimism when it comes to environmental matters”.

More precisely, we are concerned with the Doughnut Economics (DE) model, advanced by Kate Raworth (2012, 2022[2017]), that is trying to shake the growth obsession and to propose a new model of economic and social flourishing, one that attempts to fulfill the Sustainable Development Goals (as established by the United Nations), but which respects the limits and planetary boundaries of our economies and societies. The paper is structured as follows: the second section discusses at length the DE model and locates this discussion within the postgrowth and degrowth movements; the third section presents measurements that support moving beyond GDP as the exclusive unit of measurement of progress; the fourth section analyzes the evidence and practice of the model, followed by a section that discusses policy implications and limitations in applying the Doughnut model. The last section concludes.

2. The Doughnut Economics model: Seven ways to think like a 21st- century economist

One of the most essential failures of mainstream economics is the stance that growth can continue indefinitely, on a finite planet, without an impact on the environment (Raworth 2012, 2022[2017]; Hickel 2021; Hickel and Kallis 2019). The mainstream theory states that, all members of society would benefit from economic growth, as wealth ‘trickles down’ from the top income groups to the least-off members of society (Easterlin 1995).

Contrary to the mainstream growth-oriented economics, The DE is a model that depicts a new paradigm in economics, that of a sustainable, embedded economy, a balanced economy, that promotes a place for humanity “in a safe and just place”. DE brings an ‘optimistic vision’ of the economy, one that is part of society and the environment, an economy that transcends just a ‘material’ way of living. Kate Raworth, an Oxford-based economist, worked also as a development economist for various organizations, including Oxfam, where she conceptualized this economic, social and ecological model as a revolution of the ‘old way of thinking’, based on promoting endless economic growth and brought forward ‘a new way of thinking’ that envisions human beings that thrive, in an environmentally safe and socially just space (Raworth 2012, 2022[2017]). Criticizing the market-driven system and drawing on Institutional Economics, the author envisaged a post-capitalist system, where institutions like the market, the commons, the household and the state function and complement each other, in various degrees, to form different systems, to bring well-being to citizens and to challenge the goal of the mainstream economic system, that to grow indefinitely, indifferent of costs or resources needed.

Raworth (2022[2017]) argues that, whilst the classical economists of the eighteenth century (such as James Steuart, Adam Smith) saw in ‘political economy’ (the forerunner of economics) a goal-oriented science, that attempted to achieve well-being for the citizens of ‘free nations’, provide subsistence and the satisfaction of ‘reciprocal wants’, John Stuart Mill was the first economist to see ‘political economy’ as a science that traces the laws of human society, in the production of wealth. This tendency was continued by Mankiw and Friedman, that saw in economics a positive science, with no value judgements or goals, just the search and depiction of universal laws. As Raworth (2022[2017], p. 35) states: “Economic theory is quick – too quick - in asserting that the price people are willing to pay for a product or service is a good enough marketplace proxy for calculating their utility gained. Add to this the apparently reasonable assumption that consumers always prefer more to less, and it is a short step to concluding that continual income growth (and therefore output growth) is a decent proxy for ever-improving human welfare.”

Further, as Raworth (2022[2017], p. 245) points out: ‘No country has ever ended human deprivation without a growing economy. And no country has ever ended ecological degradation with one’. Raworth favors giving growth a secondary place to well-being through being agnostic about it, in the sense of designing an economy that promotes human prosperity whether GDP is going up or not (ibid., p. 287) and starts by asking a fundamental question: ‘what enables human beings to thrive?’ (ibid, p.43). Raworth (2022[2017], p.43) suggests a replacement of the GDP and other similar metrics with the DE Model, a life of ‘dignity, opportunity and community’, within the planetary boundaries. Thus, the model is built on two concepts, illustrated by two concentric circles, the Sustainable Development Goals (SDGs) as illustrated by the United Nations (minimum accepted levels) and nine planetary boundaries as presented by Rockström et al. (2009) and then Steffen et al (2015) (maximum permitted levels); in between these two circles, lies the safe and just place for humanity, where humanity should flourish.

Raworth’s vision (2012, 2022[2017]) evolved under the influence of diverse thinkers and emerged in a “post-growth” world, with many contributions that challenged a

growth-centrist economics. Amongst the self-acknowledged influences we can mention Donella Meadows et al. (1972). In 1972, the report on *The Limits to Growth* emerged, written by a MIT team run by Donella Meadows; the report claimed that the higher the level of affluence in the world, the higher is the level of consumerism and the depletion of resources; material growth cannot continue endlessly as the planet and the resources are finite. Resources are likely to decline and so is the population, and humanity is likely to experience a scarcity of resources necessary for production and for basic services like health, nutrition and education. Wild resource extraction will need to stop and planning on how to deal with scarcity in production will have to take place. Further, in 1973, Barbara Ward and R. Dubos in *Only One Earth* anticipated the Doughnut Model by calling for global action to address the needs and rights of humans, in the context of environmental limits (see Raworth, 2022[2017], p.54). The idea of an 'embedded economy' was inspired by Herman Daly's *Beyond Growth* (1996).

Raworth (2022[2017]) advances seven ways to think like an economist for the 21st century that will bring a revolutionary way of thinking about human progress and environmental balance; the first step is to change the goal of the economic system, from a metric like GDP that measures economic growth to the Doughnut. The next stage is to 'see the big picture', not the economy as a self-contained market, but a fully embedded economy into society and the planetary boundaries. Building on behavioral economics core concepts, human nature needs to be portrayed not as rational, isolated atoms, but as social adaptable humans. The approach further requires acknowledging the dynamic complexity of our systems and accepting an economy that is both distributive and regenerative. Instead of being growth-addicted, the perspective encourages growth agnosticism, adopting a soft model of the economy, one that is more popular and feasible with policy makers than the more radical approach to growth, proposed by degrowth followers and Tim Jackson (2017[2009]). Raworth (2022[2017]) draws on various schools of thought core ideas, such as Feminist economics (the critique of GDP and its measurement, the lack of inclusion of gender work in the household, and so on), behavioral economics (the nature of agency and its rationality) and ecological economics (sustainability, climate change theories, missing the accounting for negative externalities such as pollution), to build an eclectic model, that is theoretically and methodologically pluralist in nature.

The visual representation of the Doughnut that integrates twelve social minima and nine environmental maxima represents an intuitive and fair framework that is likely to promote strong sustainability (see, Dragicevic, 2024 for the paradox within the geometrical representation of the Doughnut model that distinguishes weak sustainability from strong sustainability). It functions as a compass for assessing human prosperity within planetary boundaries across multiple levels, from the global and national to subnational and organizational contexts. It is meant to shift attention away from aggregate GDP toward a vision that prioritises systemic regeneration and equitable internal (re)distribution, bringing humanity back within the doughnut (Raworth, 2022[2017]).

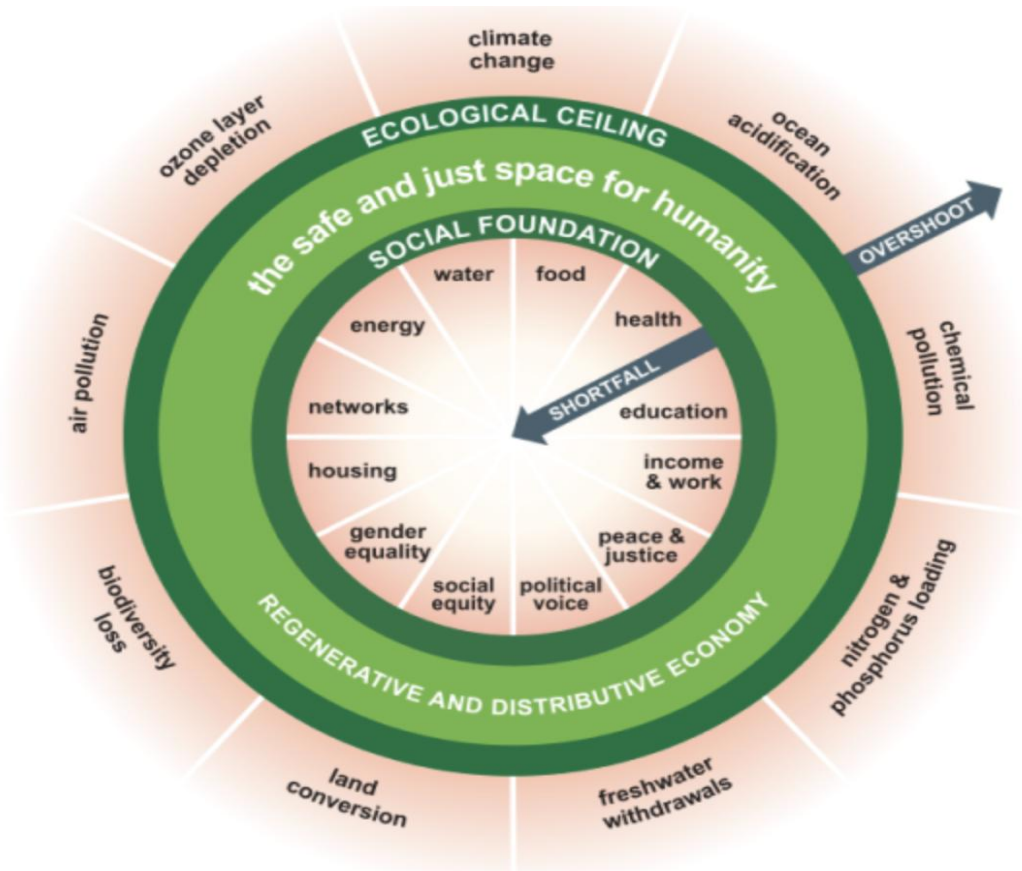


Figure 1. The Doughnut Economics Model

Source: Raworth (2022[2017], p.44)

3. Beyond GDP toward a Safe and Just Space?

The institutionalist economist Simon Kuznets created Gross National Product (GNP) in the 1930s to measure national output but warned that we cannot approximate national welfare based on this indicator alone (Kuznets, 1934). Soon, economists created international league tables to measure and compare growth across countries and growth became a 'panacea' and a cure for each and every economic problem and a staple or a pillar for every politician's public discourse (Raworth 2022[2017]). Organizations such as OECD advanced concepts such as 'sustainable growth' to be embraced by all countries that aspired to development and progress and by the mid of the 20th century, a major shift in economic policy making took place: Gross Domestic Product (GDP) replaced Gross National Product as an economic goal and metaphor for achieving progress (see also Jackson, 2017[2009]). Raworth (2022[2017], p. 35-37), reflecting on the way economists teach economics, laments the status quo and why students are never encouraged to

enquire 'what is the purpose of the economy' and discouraged to ask questions whether growth is "needed, always desirable or, indeed, always possible".

The idea of 'decoupling' from GDP growth is not new. Long-standing critiques have exposed the illusion of cosmetic prosperity induced by GDP's misleading statistics. From de Jouvenel's (1972) call to exclude activities with "a high degree of incivility", to Galbraith's et al. (1975) suggestion to account for unpaid, non-market services, and to analyses documenting the damages that new/capital-intensive technologies inflict on the environment (Carson 1996 [1962]; Schumacher, 1973), scholars have repeatedly urged an honest reassessment of standard GDP accounting. Efforts to demonstrate that "ecosystems are capital assets" (Dasgupta, 2008) and the well-argued rationale of the Stiglitz–Sen–Fitoussi Report (Stiglitz et al., 2009) for highlighting GDP's limits deserve increased support. GDP statistics omit the difficult but essential links between present welfare and future, overlook intragenerational dynamics, and ignore stocks of natural, social, and human capital, as well as environmental conditions, quality of life, and collective services. These concerns have led to a search for alternative measures to the deceptive GDP. In this regard, both Daly's Index of Sustainable Economic Welfare (ISEW, Cobb and Daly, 1989) and Raworth's (2012, (2022[2017])) DE has emerged as a prominent framework to capture sustainable prosperity. The two measures offer complementary pictures that could support monitoring a more harmonious, durable and resilient progress. By incorporating the hidden costs and benefits, the index could emphasize *when* and *how* "more GDP" fails to translate into more genuine welfare, while the Doughnut could represent a clear normative vision that redefines *what* the end goals of social and economic policies should be. The bottom line is that both frameworks highlight a common message: beyond a certain point, the pure quantitative growth of an economy can be divorced from human welfare, an inherent part of the environment. At the very least, it is necessary that the two measures be calculated in parallel with GDP for a more accurate picture of sustainable development. It would be necessary for political decision-makers to talk about all three measures and act accordingly when preparing their electoral speeches. Two more things we want to add to the ongoing dialogue on moving "beyond GDP": Across time, by including terms for environmental degradation, natural depletion and, respectively, ecological ceiling, the two approaches prove to be crystal clear in the conditions that must be met to prevent intergenerational harm – somehow debatable whether in accordance with Rawls' (1971) liberal egalitarianism on the fair intergenerational balance. However, across space, Daly and Raworth, besides planetary boundaries, mostly points toward (re)distribution. Of course, social issues (inequality, injustice, poverty, lack of public services, etc.) are pressing and must be solved, as Brundtland would better argue, through the creation and cultivation of abilities. In a globalized world, both growth and the environment are shared global concerns. What, then, would these two approaches (specifically, the calculated index and the drawn figure) have to say about the special intragenerational geography, that between emerging and resource-extractive economies? If the Global North remains silent after imposing domestic bans on logging native forests, it is often the less developed countries that witness their forests being cut by companies that would not be allowed to act similarly in their home countries. It is convenient to export finished furniture while preserving one's own forests intact and calling it "sustainable".

Equally convenient is the legal or illegal export of hazardous waste leaving behind environmental degradation elsewhere (Mihai et al., 2022). This is an old practice: the relocation of polluting industries and the protection of domestic resources aimed at maintaining a clean environment at the expense of others. Would it not be coherent with the logic of sustainability to introduce a heavy “opportunity tax” (Pohoață et al., 2020) for exploiting foreign ecosystems (could it also solve Jevons' paradox?), or to ban the asymmetrical and unethical trade in waste altogether? Measuring progress, whether via GDP, ISEW, DE, or other indices, should reflect not only what a country produces or preserves domestically, but also what it extracts or externalizes to others, particularly in terms of environmental and resources. Incorporating the ecological deficit imposed on others in a capital letter and in an explicit manner into one's own sustainability measure, along with harsh penalties reflected in the pockets of those who practice it, could mark a step toward greater transparency and honesty. Beyond warnings and policy recommendations, such a transparent measurement could offer a more pragmatic path for addressing Hickel and Slamersak (2022) risk of reproducing and perpetuating colonial inequalities between the Global North and South well into the future. Or perhaps, all such practices must be viewed through Williamson's (1985, p. 47) lens of opportunism – “self-interest seeking with guile” – which often manifests in subtle, institutionalized forms of exploitation disguised as sustainable policy?

4. Doughnut Economics evidence and practice

On all three levels - economic, social and environmental – the Doughnut is emerging as an influential alternative framework of the 21st century, with more than 250 academic papers now directly engaging with this approach and its practical applications, as listed in the DEAL database (February 2025).

At the global level, the empirical evidence reveals some interesting but expected insights into the feasibility of achieving a ‘safe and just’ development space. In this regard, O'Neill et al. (2018) found that no country performs well on both the biophysical (most difficult being climate change) and social (mostly underperforming at democratic quality and equality) indicators. Notably, the study suggests that basic needs like nutrition and sanitation could be universally met without surpassing ecological limits, but achieving high well-being (e.g., life satisfaction and healthy life expectancy) would, under current relationships, require resource use that is two to six times above sustainable levels. This tension between actual development and environment is highlighted by De Neve and Sachs (2020) who demonstrate a negative correlation between progress on SDG 12 (responsible consumption and production) and SDG 13 (climate action), on one hand, and levels of subjective well-being, on the other hand. Still, the authors remain optimistic: they argue that it is possible to simultaneously address environmental challenges and enhance quality of life at moderate consumption levels. In the same vein, the Earth Commission (Gupta et al., 2024) has spent its efforts to provide some realistic and optimistic guidance on how to achieve a safe and just corridor that is essential to ensuring sustainable and resilient human and planetary health. Education, public awareness, cultural visions, and more sustainable technological innovation are among the key solutions that can drive fundamental societal transformations of production and consumption systems. In the same

vein, we further argue that qualitative growth is still necessary and desirable – one aligned with environmental protection, poverty alleviation, technical innovation, investment in clean infrastructure, high human capital and, most importantly, with confidence in the future. Without a healthy, armonious economic growth, societies lack the capacity to repair, recover, reinvent, restructure, restore, etc.

Building on O'Neill et al. (2018)'s analysis, Fanning et al. (2022) found that between 1992 and 2015, countries have generally transgressed biophysical boundaries more rapidly than they have made progress toward meeting social thresholds. No nation has successfully met its population's needs within sustainable resource use levels during this period (see also, Kallis et al., 2025; Gucciardi and Luzzati, 2024). Nevertheless, a few countries – such as Costa Rica, Jordan, Albania, and Mauritius – emerged with promising trajectories, in contrast to nations like Australia, Canada, the United States, and Norway, which exemplify unsustainable and inequitable development pathways. However, their optimism ends here: Without deep change, business-as-usual trends suggest that by 2050, only a handful of countries will meet all social goals, while more than 100 out of 147 countries will exceed their fair share of the global carbon budget (more than double the number from the 1990s). The prospect is also alarming when considering the economic consequences of climate inaction. Kotz et al. (2024) estimate that, due to already locked-in climate impacts, the global economy is projected to experience a 17% income loss by 2050. These damages are five times higher than the estimated costs of mitigating climate change in line with the two-degree target. Annual losses are forecasted at \$32 trillion globally, with potential economic contractions reaching up to 60% on global average by the end of the century if emissions are not drastically reduced. Responsible for the current crisis and calamitous forecast is the disproportionate responsibility of high-income countries and big corporations: between 1970 and 2017, the United States and the European Union accounted for 27% and 25% respectively of the world's excess resource use – amounting to 74% of global excess resource (Hickel et al., 2022) and, moreover, 100 corporations are responsible for emitting 71% of global carbon dioxide emissions (Gupta et al., 2024). None of the rich nations are reducing their emissions fast enough to comply with the Paris Agreement, taking over 220 years for these countries to reduce their emissions by 95% at current decarbonization rates, during which they would emit 27 times their fair share remaining in the 1.5°C carbon budget. Further, even with this significant ecological overshoot, rich countries have not even achieved equitable or inclusive development outcomes. Gómez-Alvarez Díaz et al. (2024) show that none operate within the 'safe and just space' proposed by the DE framework, as social deprivations remain widespread despite high resource consumption. This misalignment is especially evident given that provisioning higher-order goods and services necessary for decent living of 8.5 billion people would require only about 30% of current global resource and energy use (Hickel and Sullivan, 2024).

From whatever angle we look at things, it seems that no country "is currently moving towards the doughnut-shaped safe and just space" (Fanning et al., 2022, p. 31). Here, Gupta et al. (2024) rightly emphasize the strategic importance of cities and businesses in driving systemic change due to the magnitude of their impacts on the Earth system, global interconnectedness, and capacity for rapid and targeted action (see also

Bai et al., 2024). This focus reflects a broader trend toward downscaling the DE framework, which appears to resonate more effectively at the scale of communities, agencies, and enterprises (Turner and Wills, 2022). In Europe especially, a growing number of cities have positioned themselves as experiments for socio-economic and ecological transformation by implementing the City Portrait tool to operationalize DE. These range from incremental reforms to more radical iterations of 'new municipalism', evident in initiatives from Amsterdam, Copenhagen, Barcelona, Brussels, London, Paris, Berlin and Preston, which propose alternatives to urban-capitalist crises (Crisp et al., 2023). A leading example is Amsterdam, which since April 2020 has been a pioneer in applying Doughnut Economics to guide its circular economy strategy. This approach aims to ensure that transitions toward climate and ecological sustainability also support social justice. As Thompson et al. (2024) highlight, Amsterdam's model may point towards an emergent regime of capital accumulation which extends a new wave of green capitalism by valorising waste through entrepreneurial practices. Shortly after, in 2021, the Municipality of Barcelona directly committed to applying the DE which emphasizes local-ecological actions (waste, mobility, housing energy, and pollution) prioritizing localized material flows and their optimization. These local ambitions are intended to support forms of post-growth municipalism and to reduce growth dependencies, albeit without explicitly seeking to challenge growth-based economic frameworks (Cattaneo et al., 2025). However, despite these advancements, some critics remain sceptical. Rather than embracing these initiatives as promising reformist steps that deliver creative, innovative, progressive and practical responses to persistent challenges like inequality and environmental degradation, scholars such as Schmid (2025) and Khmara and Kronenberg (2023) argue that such efforts fall short of a true paradigm shift; they neither represent the 'secularization of growth' nor do they follow a true degrowth trajectory. Their concern lies in the absence of a vehement break with anything that is related to growth and, implicitly, profits, financial resources and competitive markets. For these critics, what is needed is not just better management of capitalism's externalities, but a deep reorientation of values and structures toward authentic degrowth.

The discourse surrounding businesses within DE is also often marked by a pronounced anti-economism, and tragic premises and analyses. Still, there are some signs of constructive direction here too. For instance, McGreevy et al. (2022) offer a forward-looking agenda for redesigning the agrifood system based on principles such as sufficiency, regeneration, equitable distribution, the commons, and care, importantly, through coordinated education and research efforts. Similarly, Nieuwland (2023) identifies opportunities for aligning social and ecological objectives in the context of tourism transitions, for example, by enhancing public transportation and redirecting tourism revenue toward urban greening and heritage restoration. Finally, Hausdorf and Timm (2023), in their extensive review of business model sustainable innovation, highlight concrete examples of firms (e.g., Miele) moving toward the principles embedded in DE. These include product-service systems that minimize material consumption, circular supply chains, and inclusive value creation models that aim to empower marginalized communities.

5. Policy implications within and beyond Doughnut Economics

At the national and global levels, implementing the DE framework presents significant challenges and demands a profound transformation of current economic systems. Moreover, the discouraging evidence is exacerbated by recent global disruptions, such as the COVID-19 pandemic and the war in Ukraine (Warnecke, 2023), which have significantly hindered progress toward many of the seventeen SDGs. Given these setbacks, the realization of the British economist's vision seems unlikely in the near future. It would require a reinvention of the economic paradigm that has dominated for decades – a process that is inherently complex and time-intensive. Yet, as Sennholz-Weinhardt et al. (2021) argue, transformative change need not wait for top-down implementation. Individuals, acting as citizens, consumers, and workers, can initiate change through everyday choices and practices. For instance, consumption is oriented towards waste, and the modern world encourages consumerism especially through social media (Gupta et al., 2024). The prospect of a lifestyle built on simplicity and frugality continues to face resistance (Stuart, 2024). But growing public concern about climate change, combined with effective policy responses, tends to gain traction in countries characterized by high levels of trust in government (Taylor-Gooby, 2025).

When it comes to numbers, the consensus among scholars is clear and compelling in both the ecological and social dimensions. The ubiquitous excess signalled by the prefix “over” – overdevelopment, overconsumption, overindebtedness, overaccumulation – captures the unsustainable trajectory of human behaviour, economic systems, and environmental exploitation. This culture of excess alone justifies the need for a profound metamorphosis. It is undeniable that quantitative economic growth, once regarded as the primary driver of progress, has become a source of ecological crisis, particularly in terms of environmental degradation. In this context, Daly's (1990) principles for sustainable economic activity remain highly relevant: resource use should not exceed regeneration rates; waste emissions must stay within the absorptive and recycling capacities of ecosystems; and the exploitation of non-renewable resources should be matched by the pace at which renewable substitutes become available. However, when shifting to the policy requirements and recommendations, the picture becomes more questionable. Here, the role of the state (or a supranational authority?) is envisioned as the custodian of collective wisdom and a guarantor of equitable, harmonious and sustainable development within the planetary boundaries. This actor is expected to apply an ‘universal menu’ throughout the world, functioning simultaneously as a first and last resort authority.

For instance, to solve Hickel and Sullivan's (2024) challenging equation of ensuring a decent standard of living for 8.5 billion people with only about 30% of current global resource and energy consumption, the two authors propose this suite of post-capitalist measures: public finance for urgently necessary forms of production such as public transport, renewable energy, and home insulation; the establishment of universal public services to ensure equitable access to life's necessities; planned reductions in less-essential production; and the creation of public job guarantees and income floors to safeguard livelihoods. These transformations would require redirecting productive capacities away from capital accumulation and elite consumption toward goods and

services that are necessary to meet decent living for all. As a parenthesis, what would J.S. Mill (2015, p. 64) say about the fact that the ‘the salt of the earth’, his ‘wild,’ ‘erratic’, might have to flow “smoothly between its banks like a Dutch canal”? How to achieve this? Chancel et al. (2024) tell us that through a 2% yearly tax on the total assets held by the global north or a 3.5% yearly wealth tax targeting the richest 10% in the global north paid to the global south in climate compensation by 2050.

Although there is a glimmer of hope at least in terms of technological innovation, scientific and creative advancement, many scholars still find the prevailing model of “green growth” as inadequate and misleading (Hickel and Kallis, 2019) and the path to follow to be a radical reorientation of economic systems, whether through post-capitalist transitions, “serene, convivial, and sustainable degrowth” (Latouche, 2009), or other transformative approaches. However, the critical question remains: who is to implement such radical reforms? Piketty (2014) suggests that the answer lies in designing appropriate forms of institutional and policy organization to build a just social order, one where the structure of patrimony could be reshaped, driven by the emergence of a strong middle class. Where would one find such an all-encompassing, benevolent, uncorrupted, and highly capable state? Buchanan and Tullock (2009) could more realistically guide in this search. Both growth and degrowth are fraught with trade-offs and contested causal relationships. Redistribution, in this context, cannot be isolated from the broader socio-economic structure; it is embedded within broader causal structures that shape and are shaped by economic, social, and political dynamics.

De Neve and Sachs (2020) rightly point out the importance of differentiated policy approaches. Efforts to decouple improvements in well-being from environmental degradation must be contextual, tailored to specific regional and socio-economic conditions. For instance, although the challenges of the North and the less developed South are strongly interconnected, the South has its own problems – shaped by a complex and complicated cultural matrix, diverse colonial legacies, uneven development stages, and pressing issues of food security, demographics, injustice, corruption, health, security, and integration into the global economy. These make it less receptive to standard narratives of agrowth, degrowth, selective, foundational, buen vivir, and other in vogue alternative economic approaches. In general, the complex and complicated reality emphasize that imitating a model of harmony by borrowing institutional templates from other contexts is not a path to follow. While universal good rules and healthy practices can inspire policy design, lasting harmony and sustainability are more likely to emerge when frameworks are shaped organically from within for within. Endogenous development, rooted in internal capacities and tailored to local realities, offers a more effective pathway toward sustainable well-being than externally imposed/mimicked models of “ideal order”.

We argue that the original message of the Doughnut does not seamlessly align with later theoretical adaptations such as the degrowth doughnut (Domazet, 2025), the foundational doughnut (Wahlund and Hansen, 2022), etc. Up to a point, Raworth’s (2012) doughnut remains closer in spirit to Daly’s (2008) vision of optimistic hard sustainability, offering a more balanced and constructive message, with percussion especially at the local level. It suggests the possibility of qualitative development even amid quantitative stagnation, advocating for an economy that is less large but more balanced and just. This

perspective aligns with ecological economics principles, particularly the notion that continued uneconomic growth incurs increasing opportunity costs due to declining natural capital, which limits further development. In this light, Raworth (2022[2017]) emphasizes circular economy design principles in which products, infrastructures, and business models aim for net-zero environmental impact, or ideally, to regenerate more than they consume. She advocates for a selective growth aimed at remaining within planetary boundaries while fulfilling essential social needs. Innovation, in her view, is a key for remaining within the safe and just space of the doughnut. She insists on acknowledging the interdependence between reproductive work and productive work when designing economic policy. There are also different nuances of approach to the principles of sustainable development in the planetary boundaries between the two authors. For instance, while Herman Daly firmly opposes unlimited inequality in the distribution of private property and private capital accumulation, he ultimately identifies maximum and minimum limits on income as the most straightforward and effective institutional mechanism for reducing inequality. Raworth (2022[2017]) shifts the focus from income to assets, arguing that inequality is not merely in income, but rather in assets. For Raworth, the root cause of persistent global inequality lies in disparities in asset ownership – such as access to land, equity shares, intellectual property, and education – rather than income alone. In her view, addressing inequality meaningfully must involve a redistribution of control over these assets through a combination of new regulation, taxation, and other redistributive policies. Raworth (2022[2017]) envisions the state as a “supporting actor”, a “father figure” responsible for enforcing environmental protections, regulate markets, supporting early-stage innovation in sustainable goods and services, etc. It is admitted the harmful role of large corporations in eroding the social fabric. The state’s duty is to establish good, sound laws that are respected and effective in promoting, indirectly, general prosperity within the limits of a habitable planet. Beyond regulatory functions, the state bears direct responsibility for carrying out large-scale infrastructure projects and public service transformations, from solar energy development, clean water and sustainable public transport systems to improving education and healthcare. These areas, by their very nature, require coordinated public investment and long-term planning. For instance, a compelling example of effective policy implementation is provided by Kortetmäki et al. (2025), who shows that investments in infrastructure for pedestrians and cyclists not only contribute to reducing greenhouse gas emissions but also generate substantial public health gains. Further, some municipalities have gone further by offering universal access to public transportation. Notably, the French city of Aubagne is among 100 cities worldwide that have adopted fare-free public transport (Hickel et al., 2022). These inclusive urban transport strategies help mitigate social exclusion, particularly for vulnerable populations, while simultaneously advancing environmental goals through reduced energy use and lower emissions.

6. Some conclusions

Raworth sees in economics, following the tradition of classical economists, a goal-oriented science: the purpose of economics is to ensure that humanity strives for progress and flourishing, ‘in a safe and just space’, that respects planetary boundaries and attains

the UN' SDGs The DE model recognizes that local, national and global economies are embedded within society and the environment and that households, markets, commons, governments and institutions combine and form economic and social systems that aim to provision for our wants and needs. As argued within this article, the DE framework is a model that recognizes the ecological crisis and the obsession that economists and policy makers formed for economic growth; the DE model suggests an agnostic view of growth and a replacement of the main economic goal of our systems (that of growth) with fostering well-being for all individuals. Drawing on Behavioural, Feminist and Institutional economics, the DE model is adaptable, flexible and eclectic, and presupposes the application of many economic and social policies, from policies that regard population and distribution of resources to the ones that are related to individual aspirations towards the good life and technology. The scope of any economic and social model should be, surely, the betterment of our economic and social systems. The DE model brings challenges in its implementation as it presupposes a global transformation, whereby local and national governments, alongside global institutions can enforce policies to attain the SDGs within a better living world. The DE model is limited in assuming benevolent governments, that can act with responsibility in the best interests of local communities, nations or the global economy and society, amid various economic, social, political and ecological issues. Through adequate educational policies, individuals and local communities can collectively act and complement governmental policies, to change the mindset concerning what progress means and achieve the revolutionary transformation that is needed.

7. References

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