

TRANSCRIPT

The Doughnut: Measuring Human Prosperity

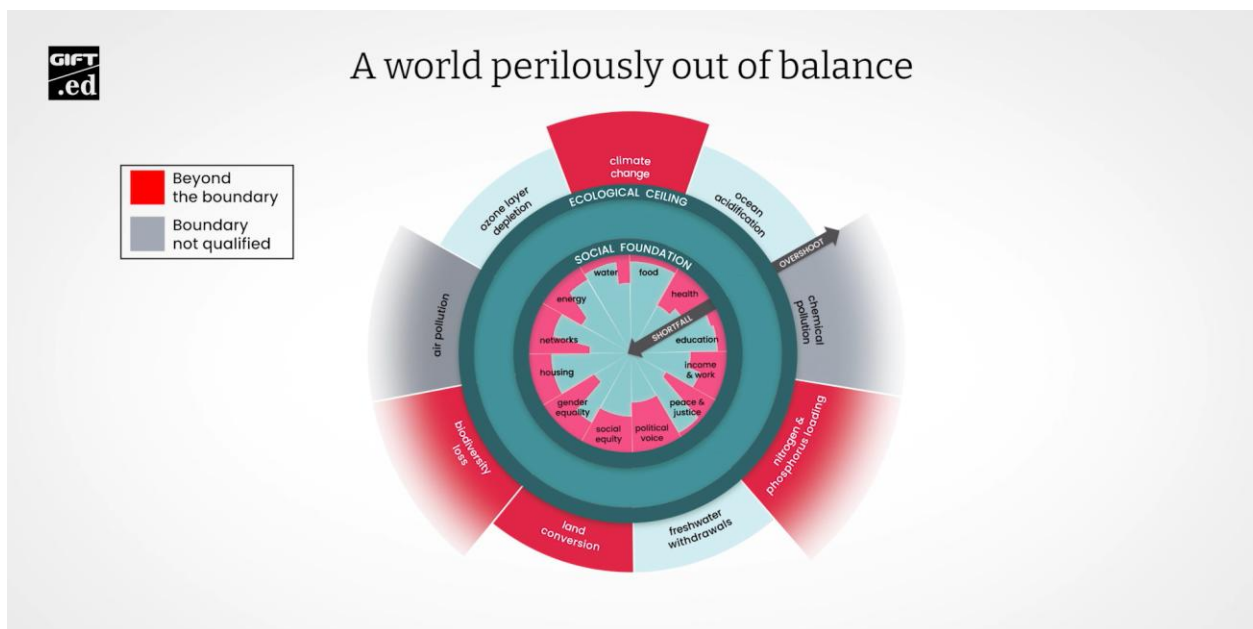
Rohan Hazell:

The Doughnut Economics model, popularised by Oxford economist, Kate Raworth, is a groundbreaking framework redefining economic success in the 21st century.

Beyond mere GDP metrics, it balances essential human needs with our planet's health. Together with Kate Raworth, we'll examine the Doughnut model in the context of disparities in wealth and resource consumption, and how we can create a thriving future for humanity with a different understanding of prosperity.

Kate Raworth:

The Doughnut offers us one possible vision of humanity, thriving this century. And if that space of balancing in the Doughnut is where we want to be, well, we are very far from that right now.



This is the Doughnut with data plotted onto it for the whole world. We can see from all the red in the middle that billions of people worldwide are falling short on the essentials of life. That red

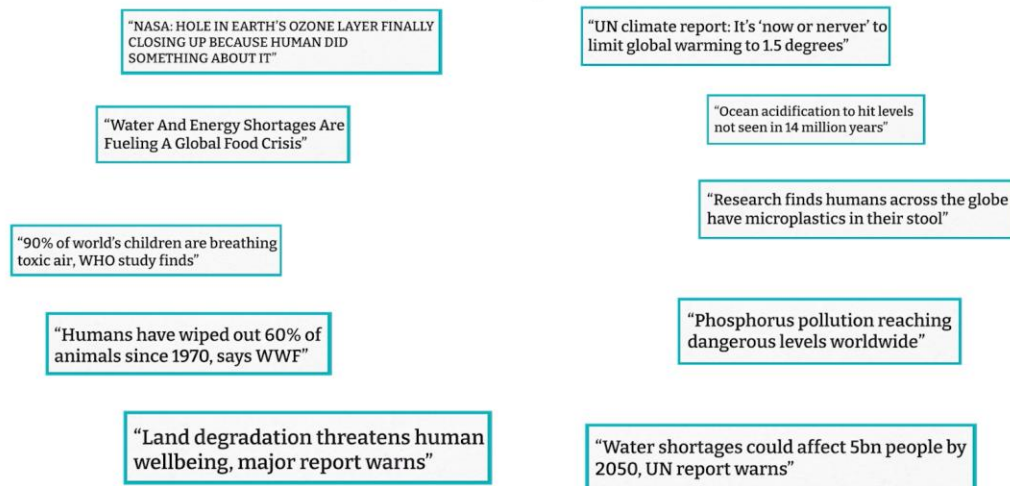
wedge on food, for example, goes 11% of the way towards the centre of the circle because 11% of people worldwide do not have enough food to eat every day. And it's true on every one of these social dimensions.

We want to eliminate all the red from the middle of this picture. But at the same time, we are already overshooting multiple planetary boundaries. And by the way, the science is coming out soon to say that we actually are overshooting more than this. So, it's a double whammy of a challenge. We need to get everybody out of poverty and deprivation while already coming back within planetary boundaries.

You know, we've never done this before. We've never tried to do this before. So last century's economic theories, last century's business models and government policies and community action and lifestyles, none of them were designed to turn this story around. We need to redesign all of those when we face this reality that is ours, of our generation and our time, and I show this to people and I say that our children and their children, they will ask us, they will. What did you do once that you knew? What did you do in all of your networks of influence when you were at work, when you were at home, in your community, in your, in your politics? What did you do to bring about the transformation that's required?



A world perilously out of balance

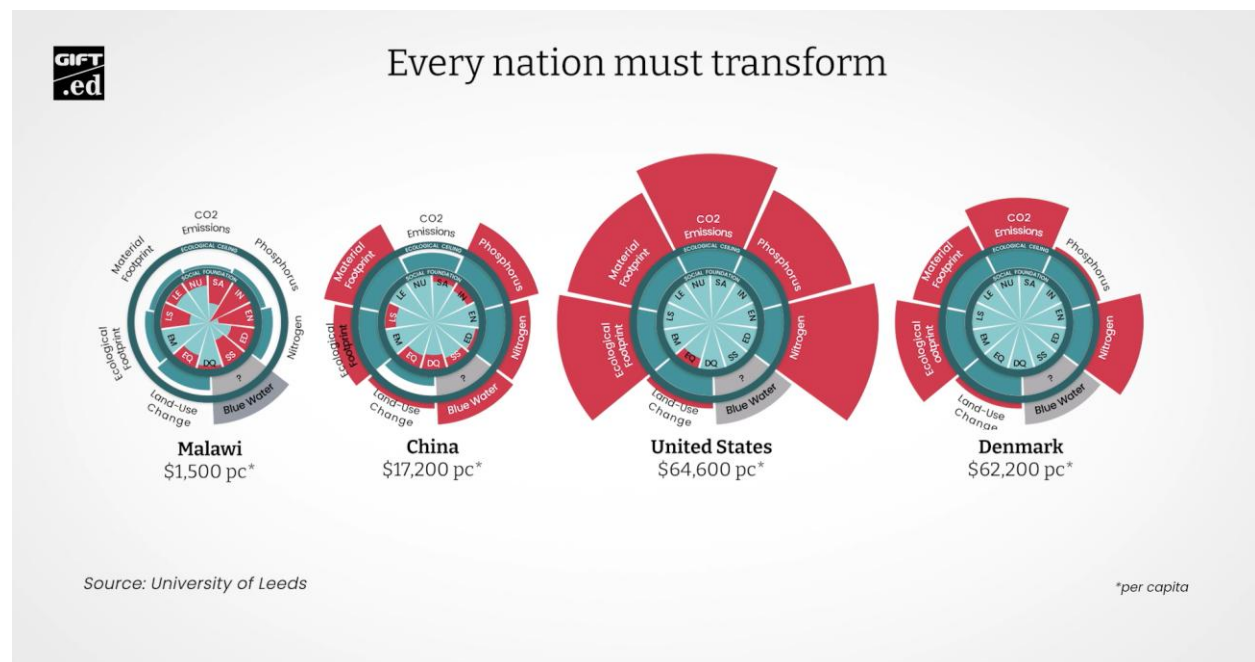


All these headlines here, tell us the story every day in the news of the overshoot that we have created and the extraordinary threat that we are posing now to life on the planet. And we know that these threats are already, of course, hitting back on people's lives. Food shortages, water,

energy crises, climate change impacts. And let's recognise that the richest 1% of people in the world own half the wealth. This is the one statistic, I find it hardest to get my head around. The richest 1% own half the world. This is an insane, insane situation.

The American writer William S. Burroughs said, "After taking one look at this planet, any visitor from out of space would say, I want to see the manager." And we have to ask ourselves, who would we take this visitor from out of space to see? Governments, for sure. CEO's for sure, and economists. Economics, if it's the art of household management, the mindset that we teach and we learn when we learn economics surely has a responsibility. So how can we turn around the story and the way we manage our planetary home?

Now I'm showing you here the planet as a whole. But of course, action happens much closer to home, and there are vast differences in responsibility between nations and between people who brought us to this place. So let's look at some national Doughnuts. Here's just four.



We can see on one end, Malawi, on around one and \$1,500 per person per year. A lot of human shortfall, but they're not overshooting planetary boundaries, their share of, in any capacity. China, a double whammy. significant human shortfall, already overshooting multiple planetary boundaries, that's a double whammy of a challenge to turn around. I'm going to jump to the United States on \$64,000 a person. Still significant inequality in the nation. And of course we know there's deprivation within the U.S., but compared to people around the world, it's significantly better on the social story.

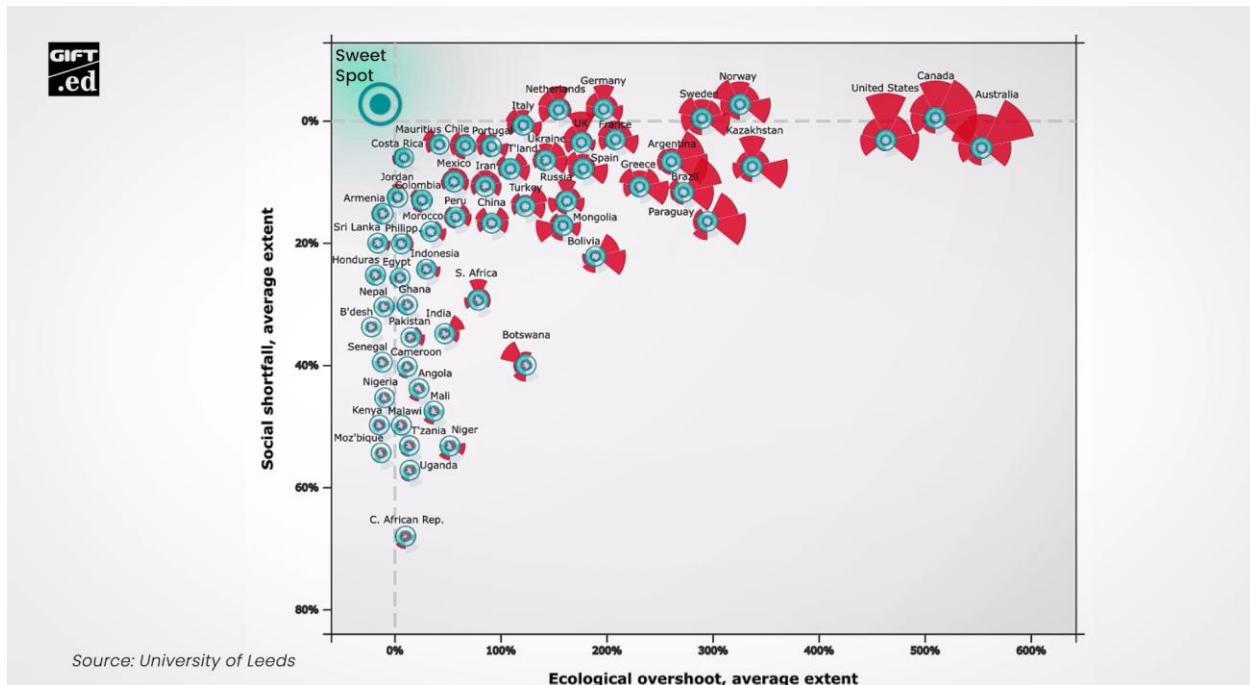
But look at that overshoot, massive ecological overshoot. And then let me come back to Denmark, or it could have been Sweden, or it could have been Norway, because people always see, oh, but surely Scandinavia, surely Scandinavia is doing it. No, no, they're not. They are overshooting planetary boundaries just like every high income country. There's not a single country in the world that we know of that could say it's living in the Doughnut. There's one that's closer than any other. It's Costa Rica.



Costa Rica is closer to meeting the needs of its people almost within the boundaries of the living planet, on around \$22,000 per person per year. This surely must give us hope, because not even the government of Costa Rica has actively tried to get into the Doughnut.

None of these countries have actually been governing themselves with an economic mindset, with governmental policies, with business models that would intentionally bring us there. So there's a possibility of turning this story around.

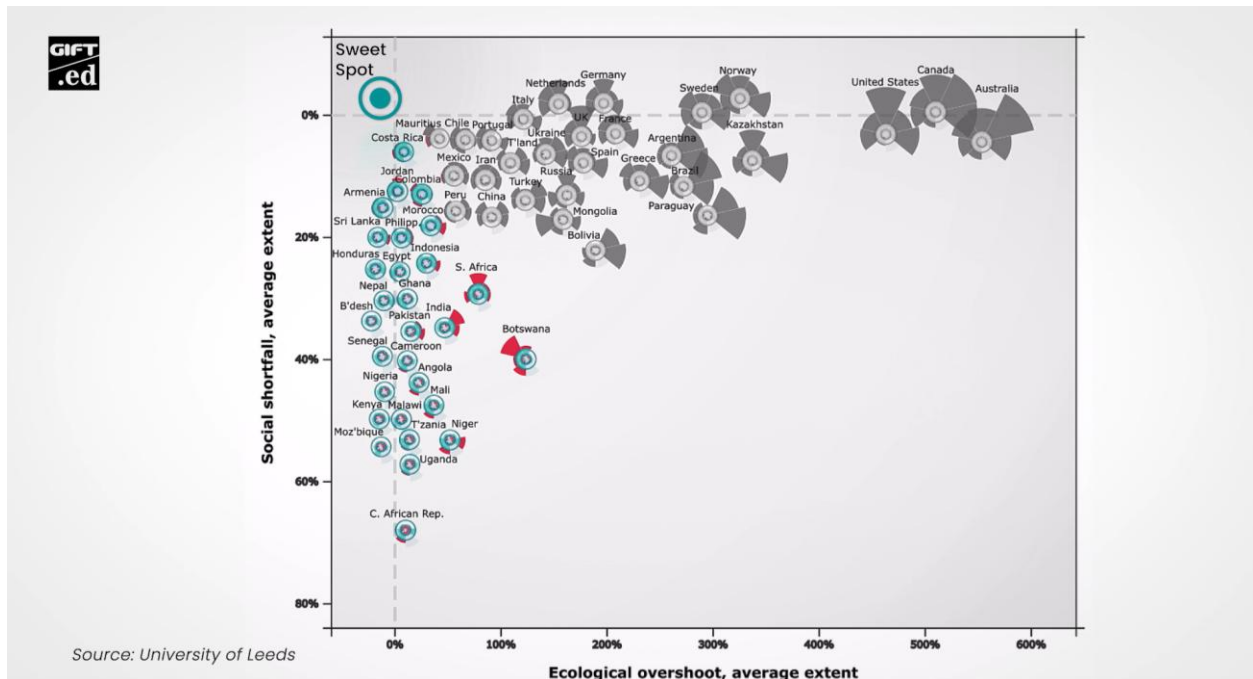
Let me show you one more. Around 50 countries on a scatter plot. Now the sweet spot is that top left hand corner, that is where no one is falling short. So we come up out of a shortfall, so no one is left falling short, but we've come back within those planetary boundaries.



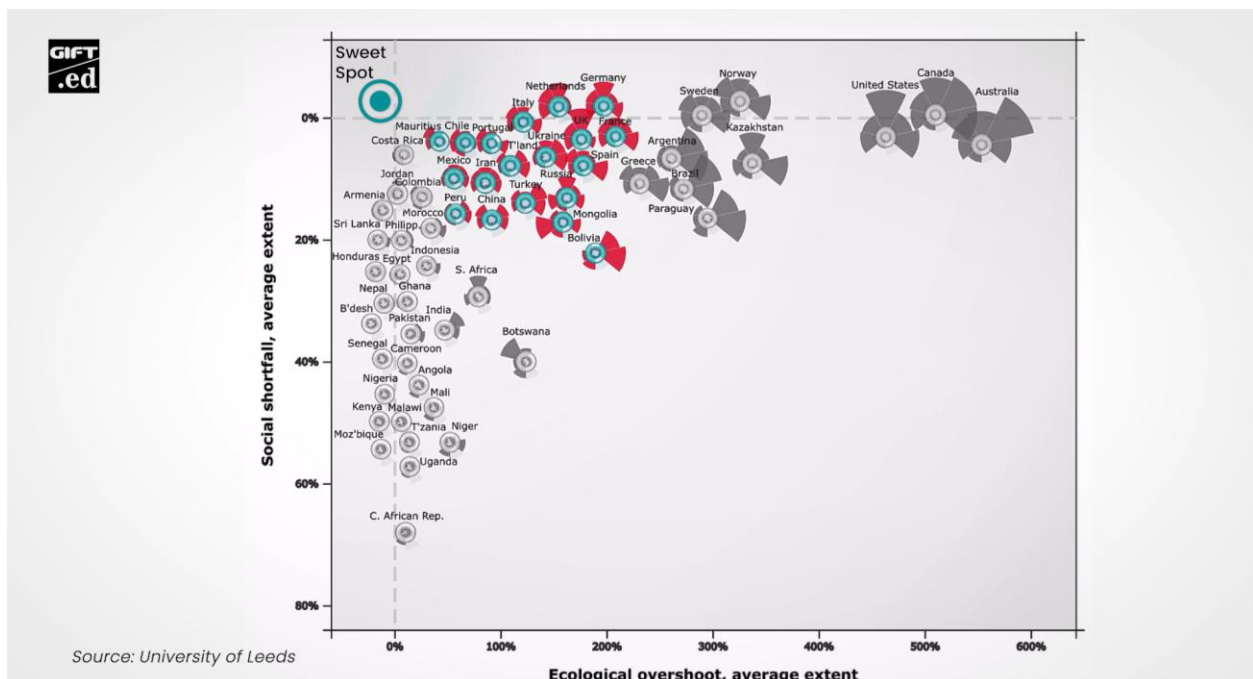
So, number one, there's not a single country in there. And that's why I would say there's no such thing as a developed country. I can't think of a country in the world that has the right to call itself a developed country, an advanced nation.

I'm sorry, not one of the rich countries has the right to call itself that. Look at their overshoot. All that red. We're all developing countries now, in the sense that we must all have the humility and ambition to transform the direction that our countries are going in. And I'm sitting here in the UK, for heaven's sake. This is a country that, like all high-income countries, has to be a developing nation in this sense of 21st century transformation.

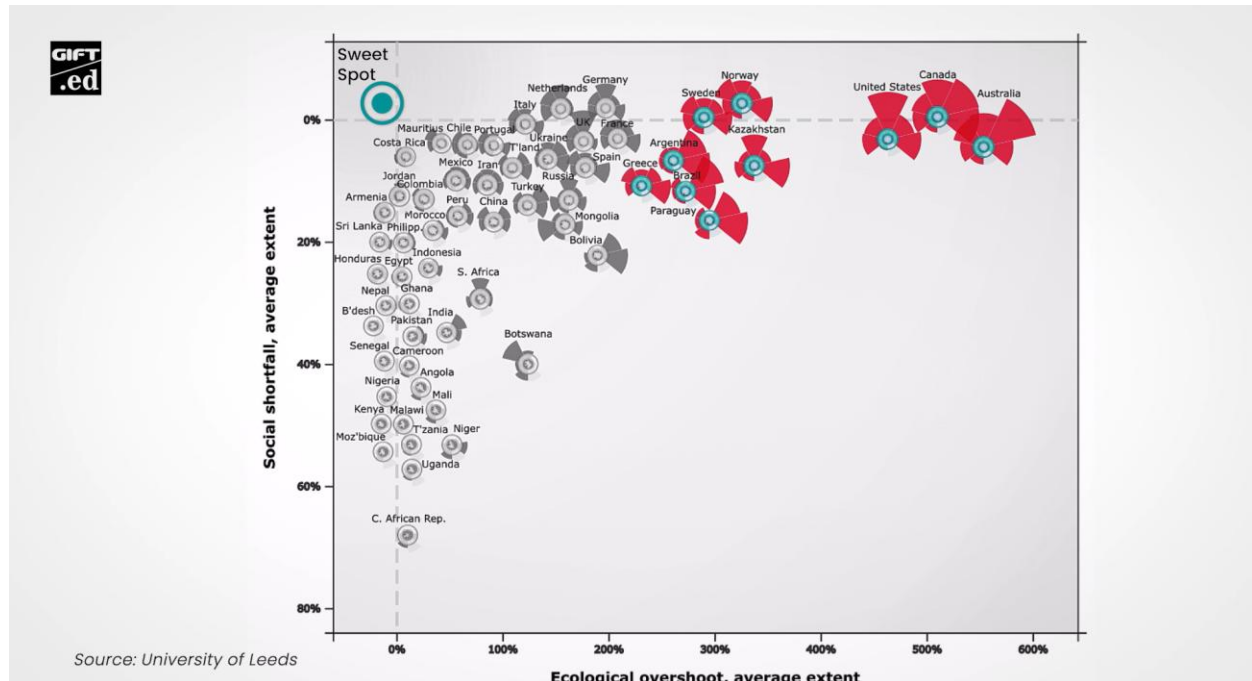
Now, let's look at the low income countries, that long stream falling down. We've got Malawi, Tanzania, Central African Republic, Nepal, Pakistan, India. These nations have the challenge of meeting the needs of all of their people coming up without overshooting planetary boundaries to the scale that every nation before them has done.



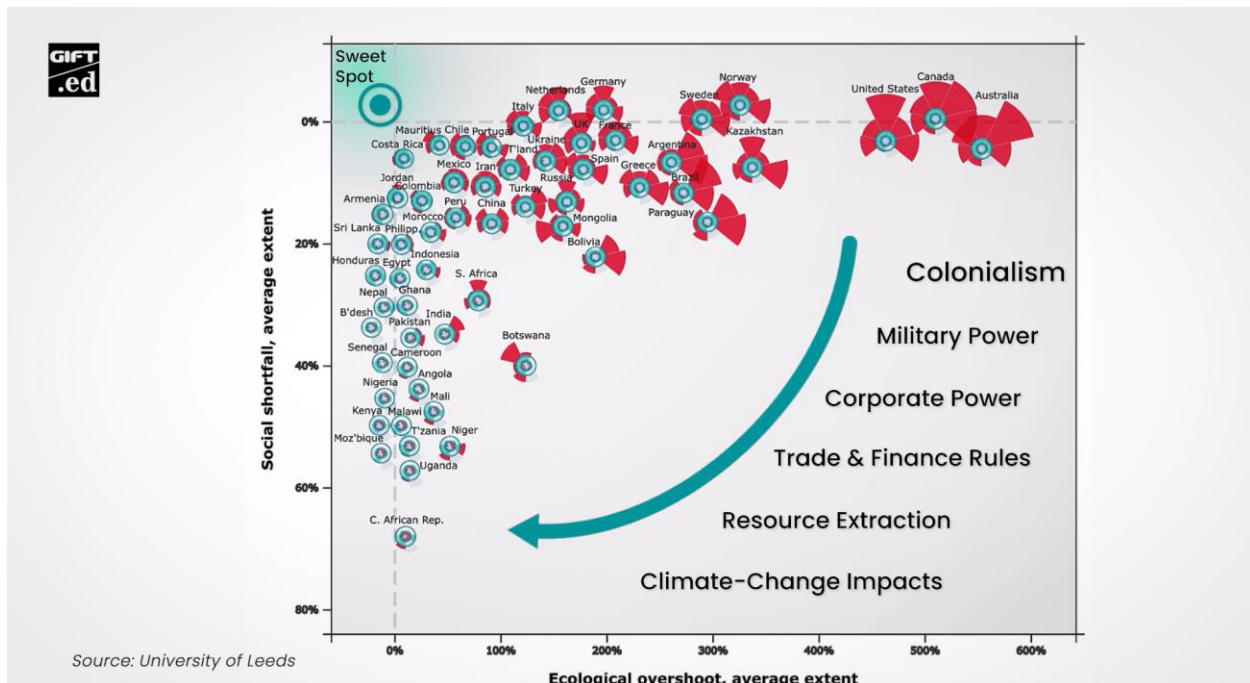
How will they do that? It's never been done before. This is an unprecedented journey. Middle-income nations. Let's talk about Mexico, Iran, Turkey, China, Russia, Paraguay, Brazil. The ones that cluster in the middle, they have the double whammy challenge. They still have to meet the needs of all their people, but they already need to be coming back within planetary boundaries. This hasn't been done before.



And then the high-income nations, those big red overshoots sitting at the top, they need to continue to meet the needs of all their people. And in fact, they already don't do that. We know there's deprivation even in the richest of countries. They need to meet the needs of all their people and come back within planetary boundaries on a scale that has never been seen before. This too is unprecedented.



And let's not forget that although these countries stand like separate dots on the scatter plots, their histories and futures are profoundly interconnected through histories of colonialism.



I'm sitting in the UK. I have to acknowledge that right now, through military power and corporate power, through trade and finance rules, through ongoing resource extraction, through the current and future impacts of climate change. So every nation needs to transform within, and we need a transformation of all between, because these impacts, of course, predominantly are created by those in the global north, impacting upon the global south. We need transformation.

Rohan Hazell:

Not a single nation currently exists within the safe space of the Doughnut. While high-income countries may be able to provide higher quality of life for their citizens, they are exceeding multiple planetary boundaries in doing so.

High-, middle- and low-income countries will inevitably have different development priorities. Local solutions rooted in local cultures and contexts, as well as cooperation between countries are therefore needed to meaningfully tackle the unprecedented challenge of living within the Doughnut.