

COMPARATIVE SYNOPSIS
DOUGHNUT ECONOMICS – ECONOMY FOR THE COMMON GOOD

	Doughnut	ECG
Theory	Holistic	Holistic
Innovative insights from other disciplines	Cognitive linguistics, psychology, ecology, feminism, Earth-system science, commons theory, systems thinking, institutional economics, biomimicry, sociology, history, ethics.	(social) psychology, sociology, educational science, neurobiology, evolutionary biology, game theory, commons theory, feminism, ecology, system theory, ethics and philosophy.
Economics	Not a matter of discovering economic laws (they don't exist) but a question of creating effective economic design	Question is not: How does the economy function (by nature)? But: How can we design it in order to be functional?
Model structure	7 ways to think like a 21st century economist	20 cornerstones of the economic order or tomorrow
Approach	To set out new ways of thinking, rather than advocate specific policies or institutions	To advocate for and bring about a new framework of policies and institutions
Mindset & Paradigm	The economy should be in service to meet the needs of all within the means of the planet. Economic institutions – from money to markets – are designed and can be redesigned.	Holistic thinking, economy is a means to serve higher goals; Markets are designed 100% by humans (social subsystems).
Sectors included	4 core forms of economic provisioning: household, commons, market, state.	<u>Fields of economic activities:</u> self-sufficiency, gift economy, markets, commons and state.
Core	The Doughnut as the 21 st century goal: to meet the needs of all within the means of the planet; the economy becomes the means.	Invert goal (common good) & means (money) chrematistiké → oikonomia (Aristotle)
Goal (economy)	Human prosperity in a flourishing web of life – living in the Doughnut	Common Good, comprising the whole living world, democratically defined
Means	Regenerative and distributive economic design	Laws, incentives, role models, education and consciousness building.
Success Measurement	The metrics of the Doughnut, adapted to relevant multiple scales: household, enterprise, city, nation, global.	GDP → Common Good Product Profit → CG Balance Sheet ROI → Common Good Exam
GDP Growth	GDP becomes a response variable, and is likely to roughly follow an S curve over time	GDP growth = irrelevant (except as a reference for e. g. sovereign debt or money supply)
Cooperation – competition	We typically engage in conditional reciprocity, and both compete and collaborate	Reward cooperation, incentivize negatively „counter-petition“ and (more softly) competition
Care Work	The household is the core economy. Caring work should be recognised, rewarded, and redistributed between women and men.	Public service, paid, incentives for equal engagement of all genders
Working time	Shorter working weeks are one way to redistribute access to paid work, while creating time for the commons, household, and leisure.	20 hours (degressively) in order to redistribute time to self-sufficiency, relationships, commons, community engagement, and having a good life
Inequality	The 20 th century addressed inequality through redistributing income The 21 st century should also consider addressing it through pre-distributing the sources of wealth creation	<u>Balancing feedback mechanisms for:</u> - income - property - inheritance (democratic endowment) - size of companies
Property	Pre-distribute the ownership of sources of wealth creation including: health & education; energy systems; information systems; enterprise ownership; land and housing; technology; the power to create money	<u>Diversity of properties:</u> private, public, collective, social, use rights, no use even (nature's rights), ... Conditions and limitations for all types of property

Corporate property	Enable enterprise that is employee-owned, cooperatively owned, or other forms of distributive enterprise ownership	Common Good Balance Sheet enhances deconcentration of decision and ownership power + negative feedback mechanisms
CSR, corporate governance	Assess a company's purpose, governance, networks, ownership and finance: are they generative or extractive? (Kelly, 2012). Possible frameworks include ECG, Reporting 3.0, Future Fit Benchmark.	Common Good Balance Sheet (DNA for all legal forms), linked to all kinds of positive/negative incentives: taxes, tariffs, interests, public procurement, research projects, ...
Advertising	People do not have 'fixed preferences' but rather have fluid values that can be daily activated, including by advertising.	- Ban advertising in mass media - Product info system (CGBS)
Money creation	The design of money – its creation, its character and its use – shapes human behaviour, relationships, and distribution	From positive money to sovereign money
Monetary System	Shift from today's monetary monoculture to an ecosystem of currency design	<u>Money is a public good</u> : Democratic design and central banks, global reserve (ICU) and local complementary currencies
Interest	Interest runs counter to the thermodynamics of life. Could a demurrage-bearing currency be designed that stimulates regenerative and distributive economic investment?	Negative interest system for savers, average zero interest for investing companies (combined with common good exam, also to prevent inflation).
Banks	Promote values-based banking that aligns with an enterprise's 'living purpose'. Focus state-led development banks on long-term transformative investments	common good banks and stock markets (private and public), applying ethical creditworthiness assessment
Technology	Support and enable eg open-source software and hardware, creative-commons licencing, as a means to pre-distributing access to the sources of wealth creation	Technology is a means, too. Social innovations are more important at the moment: non-violent communication, systemic consensus principle, democratic conventions, ...
Ecology	Work with and within the cycles of the living world: regenerative design, cradle-to-cradle, Open Source Circular Economy (OSCE)	Common Good Exam and CBS, Cradle-to-cradle, Ecological Footprint, Ecological Tax Reform, Global Resource Management, Ecological Human Rights, ...
Resilience	Diversity, redundancy, distributed networks. Resilience through evolution: diversify – select – amplify.	Decentral structures, diversity, balancing feedback mechanisms, citizen participation (sovereign democracy)
What really matters	Living in the Doughnut is a precondition for what really matters: human flourishing – as set out eg by Manfred MaxNeef's fundamental human needs.	<u>8 new contents at school</u> : feelings, communication (NVC), values, democracy, nature, body, handcraft, art
Power sources	Recognise the power of visual and verbal framing. Choose carefully the words and pictures that you draw, use and teach. Since systems evolve, we all contribute to system evolution in what we do. Don't be an optimist if it makes you relax. Don't be a pessimist if it makes you give up. Be an activist and ask, what can I do?	<u>Flourishing relationships</u> : - with myself (body, mind & soul) - other humans - nature - the bigger whole = meaning & spirituality