DOUGHNUTS & PIES: ADVANCING THRESHOLDS & ALLOCATIONS TO ACHIEVE SUSTAINABILITY

12/16

On 31 January 2018 at the Dutch Federation of Accountants in Amsterdam, Reporting 3.0 convened the kickoff meeting of the Global Thresholds & Allocations Council (GTAC), a governance body tasked with vetting and validating thresholds (the ecological ceilings & social foundations of Kate Raworth’s Doughnut Economics) and allocations (or fair share “slices of the pie” of resources). James Quilligan presented the below abstract of his comments delivered in the ‘Allocation Approaches: Beyond Supply & Demand - The Dynamic Equilibrium Between Global Thresholds & Allocations’ session.

Ecology demonstrates that the limiting thresholds of renewable and non-renewable resources and the allocations of these resources to meet the needs of a population are oppositional forces which continuously counteract one another. This dynamic relationship exists between every species and its environment: natural organisms react to unceasing changes in their
ecosystems and make adjustments to survive and thrive. Yet human society is using a supply-demand model to measure the economic balance between producers and consumers without addressing this broader equilibrium between available resources and population size.

Classical and Keynesian economics ignore both the environmental constraints to Earth’s resource base and the maximum size of a population which can be maintained indefinitely within that environment. This has created a perilous misalignment in resource accounting and management. As long as global society lacks adequate means of producing renewable resources, and consumes food, water, energy and rare minerals faster than Nature can replenish them, environmental degradation and social inequality will widen rapidly. It’s vital that fact-based metrics for biocapacity, which compare the countervailing forces of ecological limits and population needs, find a basis now in economic policy and practice.

— Abstract of presentation from the Reporting 3.0 Global Thresholds & Allocations Council Meeting at the Royal Dutch Federation of Accountants in Amsterdam on 31 January 2018.