

Integrating Doughnut Economics into People's Planning: A Sustainable Development Paradigm for Kerala and Beyond

Jos Chathukulam[#]

Abstract

This paper examines how the principles of Doughnut Economics resonate with the Kerala Model of Decentralisation, how they diverge, and how their synthesis could inform sustainable policy pathways for future. The first part of the paper offers comparative perspectives on People's Planning in Kerala and Doughnut Economics. The second part looks into the integration of a Doughnut Economics framework into the local development planning exercise and the People's Plan Campaign (PPC). The third part critically analyses the deficits in the People's Plan Campaign and the relevance of Doughnut Economics in Kerala context. The fourth part looks into the limitations of Doughnut Economics, followed by conclusions. The PPC in Kerala has completed around 30 years, and it has been a journey that involved a learning and relearning process. While the Campaign still exists, the fervour and zeal for genuine decentralisation are missing. This paper suggests ways to revive the 'stagnated People's Planning Campaign' through the lens of a Doughnut Economics framework. This paper does not in any way undermine the rich legacy of Kerala's PPC, but intends only to strengthen this unique people-centric participatory democratic framework.

Keywords: People's Plan Campaign, Doughnut Economics, Kerala, Local Governments, Decentralised Planning, Sustainable Development, Doughnut-Level Planning and SDGs

JEL Codes: Q01, Q57, O21

Publication Date: 24 May 2026

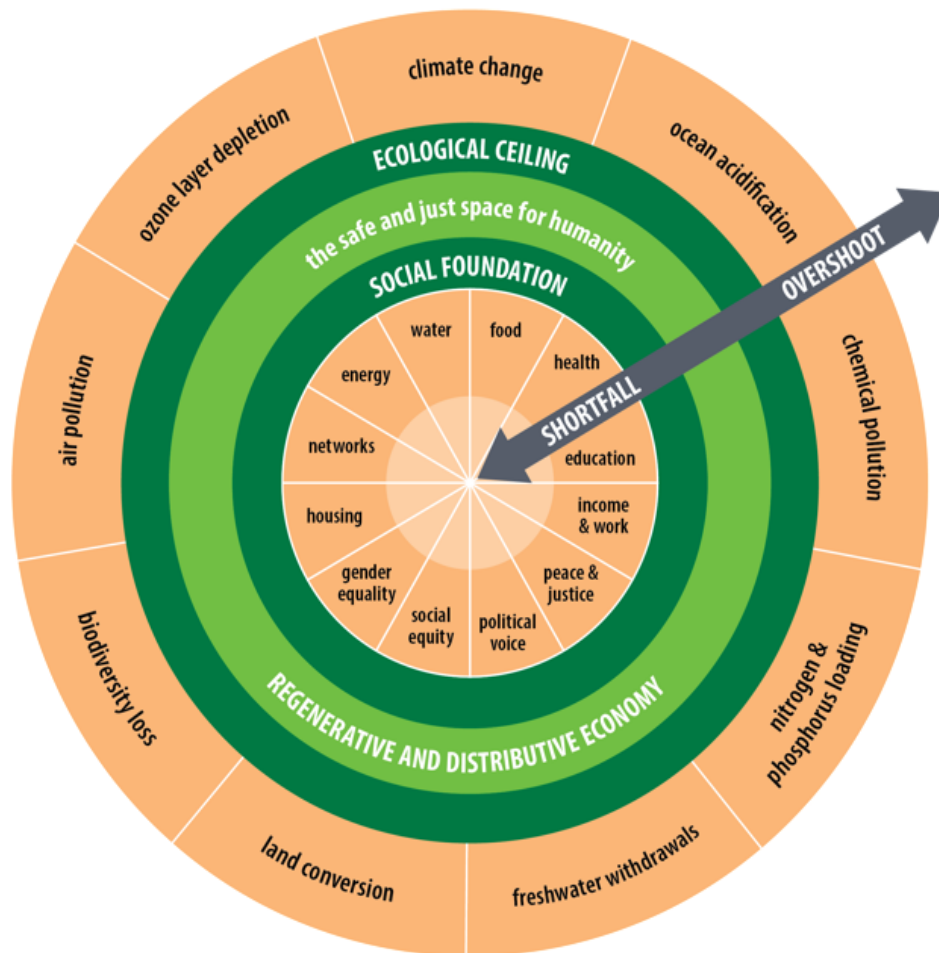
[#] Dr Jose Chathukulam is a director of Centre for Rural Management in Kottayam and he is also a Project Director of India Local Government Support Initiative (ILSI).

1. Introduction

In recent decades, conventional models of economic growth have faced increasing criticism for prioritizing aggregate output, particularly Gross Domestic Product (GDP), while neglecting social equity and environmental sustainability. In response, alternative paradigms such as Kate Raworth's Doughnut Economics (DE) (2017) and the Kerala Model of Development, particularly its decentralization initiative through the People's Plan Campaign (PPC) (1996), have gained scholarly and policy attention. Although DE represents a global theoretical framework and the Kerala model is more of a local empirical policy experience, both converge on a shared vision: economic progress must be achieved within ecological limits while ensuring human well-being and social justice. This paper explores the conceptual resonances and divergences between DE and the Kerala model of decentralization, and considers how a synergy between the two could guide future sustainable policy pathways.

Raworth's DE framework challenges the neoclassical GDP-centric paradigm by proposing a visual model of a "Doughnut" — two concentric rings representing humanity's safe and just operating space. The inner ring, or the social foundation, defines the minimum standards of well-being below which human deprivation occurs. The outer ring, or the ecological ceiling, marks the biophysical boundaries beyond which environmental degradation threatens planetary stability and sustainability. The space between these rings constitutes a "safe and just space for humanity," where social needs are met without overshooting ecological limits.

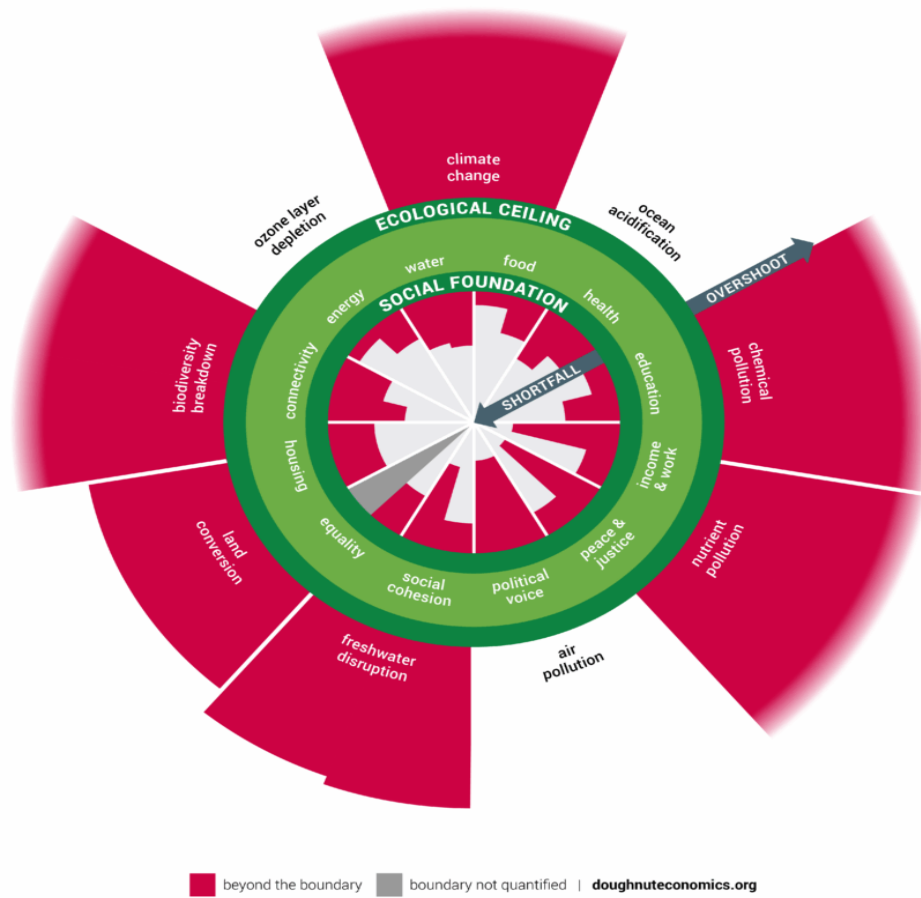
The social foundation comprises twelve dimensions derived from the United Nations' Sustainable Development Goals (SDGs): (i) food, (ii) health, (iii) education, (iv) income and work, (v) water and sanitation, (vi) energy, (vii) networks, (viii) housing, (ix) gender equality, (x) social equity, (xi) political voice, and (xii) peace and justice (see Figure 1). Conversely, the ecological ceiling draws on the nine planetary boundaries identified by Rockström et al. (2009): (i) climate change, (ii) ocean acidification, (iii) chemical pollution, (iv) nitrogen and phosphorus loading, (v) freshwater withdrawals, (vi) land conversion, (vii) biodiversity loss, (viii) air pollution, and (ix) ozone layer depletion (Raworth, 2017a; Raworth, 2017b).

Figure 1: Kate Raworth's Doughnut Economics Model

Source: Doughnut Economics Action Lab and Filip Eriksson (2022)

The social foundation constitutes the inner boundary of the Doughnut, representing the essential social and economic conditions required to ensure a dignified life for all individuals (Raworth, 2017a; Raworth, 2017b; Fanning and Raworth, 2025). Conversely, the ecological ceiling defines the outer boundary, marking the planetary limits beyond which human activity exerts unsustainable pressure on Earth's life-supporting systems. The space between these two boundaries delineates a "safe and just" operating zone — an ecologically sustainable and socially equitable environment within which humanity can thrive.

Populations situated below the social foundation (in the centre of the Doughnut) experience multiple deprivations, including inadequate access to healthcare, housing, and other basic necessities, reflecting systemic shortfalls in human development (Figure 2). The principal objective is therefore to elevate all individuals into this safe and just space, where social well-being can be achieved without transgressing ecological thresholds. The DE model thus articulates a holistic framework for sustainable development, emphasizing the integration of human prosperity with environmental stewardship.

Figure 2: An Overshoot Doughnut

Source: Doughnut Economics Action Lab and Filip Eriksson (2022)

1.1 What is the scope of application for Doughnut Economics in Kerala?

Kerala presents a conducive context for operationalizing the DE framework, given its long-standing emphasis on and achievements in human development and social welfare. The state has historically prioritised education, healthcare, housing, social equity, gender justice, and public participation — dimensions that closely correspond to the social foundation of the DE model. Kerala's development trajectory, characterised by an expansion of human capabilities rather than mere income growth (Sen, 1999), reflects the essence of Raworth's vision for a regenerative and distributive economy.

Central to DE is the idea that economies must be distributive by design. Kerala's legacy of progressive land reforms, redistributive welfare policies, and participatory planning exemplified by the PPC embodies this principle in practice. Furthermore, the functioning of Panchayati Raj and Nagarpalika institutions promotes social justice and participatory local governance, aligning with Raworth's call for economic democracy and equitable power distribution.

The so-called Kerala Model of Development, often regarded as an alternative to conventional growth-centric paradigms, underscores that equitable social development can precede rapid economic growth. Despite modest per capita GSDP, Kerala consistently achieves high literacy rates, low infant and maternal mortality, greater life expectancy, and gender equality largely through sustained public investment in education, health, and welfare (Kannan, 2000; Chathukulam & Tharamangalam, 2021; Tornquist, 2021; Chathukulam & Joseph, 2023). These features collectively position Kerala as a fertile ground for advancing the principles of DE.

2. Research Methodology

This paper adopts a mixed-methods approach, integrating empirical evidence with extensive desk research. The conceptual framework is primarily informed by Kate Raworth's seminal work *Doughnut Economics: Seven Ways to Think Like a 21st-Century Economist*, which provides the theoretical underpinning for re-envisioning local development paradigms. The analysis is further enriched by the author's long-standing engagement with the PPC since its inception in 1996. Drawing upon this experiential knowledge and prior research on decentralisation, local governance, and participatory planning, the study situates DE within the broader discourse of sustainable and inclusive local development. The methodological orientation thus combines theoretical synthesis with praxis-based reflection, enabling a critical exploration of how the DE paradigm can reinvigorate the social justice and participatory ideals embodied in the PPC framework.

3. People's Plan Campaign in Kerala (First Phase of PPC – 1996–2001)

The PPC, launched in 1996, marked a watershed in Kerala's experiment with democratic decentralisation. It transferred nearly 25–30% of the state's plan funds to local governments, thereby institutionalising participatory planning and enabling communities to define local development priorities (Isaac and Franke, 2021). Spearheaded by the Communist Party of India (Marxist) [CPI(M)] under the Left Democratic Front (LDF), the PPC aimed to deepen grassroots democracy by devolving power, resources, and responsibilities to local institutions. This initiative transformed Kerala's developmental governance, often characterised as the "Kerala Model," by fostering a vibrant civil society and participatory local governance structures (Chathukulam and Tharamangalam, 2021; Chathukulam and Joseph, 2023).

The CPI(M)'s endorsement of participatory democracy represented a paradox within communist praxis, yet it redefined the party's political image as "democratic communists" (Williams, 2008). The PPC operationalised the devolution of funds, functions, and functionaries to local governments, granting them authority to utilise grants-in-aid and locally mobilised resources for formulating and

implementing development plans (Harilal, 2008). The campaign's first phase (1996–2001) prioritised poverty reduction and rural development, leading to significant improvements in primary and secondary healthcare, road infrastructure, sanitation, drinking water, energy, and housing (Heller and Isaac, 2005).

The PPC's momentum declined after 2001, when the LDF lost power. Although the subsequent Kerala Development Programme (KDP) attempted to sustain decentralisation, it failed to evoke similar participation. The LDF's return to power in 2006 did not fully revive the PPC; the state-executed revival occurred after 2016 under the Nava Kerala vision, which introduced four missions — Aardram (Public Health), Public Education Rejuvenation, LIFE (Livelihood, Inclusion, Financial Empowerment), and Haritha Keralam (environmental sustainability). However, these missions undermined the foundational participatory and sustainable ethos of the PPC. Currently, the broader PPC process remains stagnant due to limited decentralization, lack of resources, constrained local autonomy, and increasing bureaucratic control over local governments.

4. Comparative Perspective on People's Planning in Kerala and Doughnut Economics at Different Cities

Both the DE framework and Kerala's model of decentralisation emphasise participatory governance, social justice, and ecological responsibility. The PPC in Kerala was a pioneering effort to deepen democratic decentralisation and strengthen grassroots participation in development planning. Rooted in Gandhian ideals of self-governance and participatory democracy, the PPC aimed to empower local governments to design and implement development initiatives that reflected locally determined priorities.

In contrast, Doughnut Economics, proposed by Kate Raworth (2017), emerged as a critique of the GDP-centric growth paradigm. Raworth conceptualised a "Doughnut" with two concentric boundaries: a social foundation below which human deprivation occurs and an ecological ceiling beyond which environmental degradation threatens planetary stability. The space between these boundaries defines a "safe and just space for humanity". Since 2020, numerous cities — such as Amsterdam, Brussels, Copenhagen, Portland, Nanaimo, Sydney, Cornwall, Berlin, Melbourne, and Dunedin — have adopted or experimented with the Doughnut model to guide urban sustainability and policy innovation (Fanning and Raworth, 2025; Shao, 2025).

The PPC sought to institutionalise participatory planning through mechanisms such as Gram Sabhas and Ward Sabhas, which enabled communities to identify local development needs across sectors including infrastructure, education, health, agriculture, waste management, and women empowerment. DE, on the other hand, aims to reorient economies towards regeneration and redistribution rather than extraction and accumulation. When applied at the local level, the Doughnut framework provides a diagnostic tool for assessing performance against social indicators

and ecological thresholds, thereby integrating economic, social, and environmental dimensions of urban and regional planning.

A key difference between the two frameworks lies in their scale of implementation. The PPC operates across all rural and urban local governments in Kerala, making it a state-wide participatory governance model. Conversely, the DE framework has primarily been implemented at the city level, where municipal councils use it as a strategic planning and assessment tool (Cattaneo et al., 2024; d'Assenza-David, 2026). Nonetheless, the PPC could benefit from incorporating data-driven sustainability metrics — such as social well-being indicators and ecological footprint analysis — thereby aligning participatory planning with global sustainability objectives.

While environmental sustainability was not a central concern during the early phases of the PPC, it gained prominence in subsequent stages. Initiatives such as organic farming, solid waste management, the Haritha Karma Sena (Green Task Force), Carbon-Neutral Panchayats, the Suchitwa Mission, and renewable energy projects have since been integrated. The DE framework, by contrast, places ecological sustainability at its core, promoting circular economies, zero emissions, and carbon resilience. Amsterdam's adoption of the Doughnut model, for instance, has spurred initiatives in sustainable housing, waste reduction, and urban agriculture.

Both the PPC and DE illustrate how local-level planning can advance equity, inclusion, and sustainability. In Kerala, local governments, civil society organisations, and networks such as Kudumbashree, a women-led self-help movement, play crucial roles in participatory planning. Similarly, the implementation of DE relies on collaboration among local governments, NGOs, community stakeholders, and sustainability experts. Ultimately, both models underscore the transformative potential of local governance when grounded in participatory engagement and ecological consciousness.

5. Integrating Doughnut Economics Planning into Local Governance in Kerala

The PPC strengthened Kerala's decentralised governance system by promoting participatory, bottom-up planning. Within this framework, local governments — including Panchayats, Municipalities, and Corporations — prepare annual plans addressing social, economic, and infrastructural priorities. The existing Panchayati Raj and Nagarpalika structures provide a strong institutional base for integrating DE into local planning processes, not only in Kerala but across India.

Each local government can design its own Local Doughnut Framework as an analytical tool to measure social outcomes and assess economic and ecological sustainability. Models such as Amsterdam's City Doughnut offer useful reference points for envisioning urban-centric adaptations. However, the framework must remain context-specific, reflecting variations in geography, ecology, political economy, demography, and socio-cultural characteristics.

The Local Doughnut Framework should comprise two key components: the inner ring (social foundation) and the outer ring (ecological ceiling). The social foundation encompasses essential dimensions of human well-being, including nutrition, health, education, income, gender equality, housing, and democratic participation. The ecological ceiling captures localised measures of environmental stress such as land use, water quality, waste generation, carbon emissions, biodiversity, and resource utilisation.

Empirical assessment can draw upon existing data sources and monitoring platforms such as Mission Antyodaya, district-level statistical reports, administrative data maintained by the local self-government department (LSGD), and indicators compiled within the State's SDG Dashboards. Mapping these indicators enables identification of social shortfalls (deficits within the social foundation) and ecological overshoots (exceeding environmental limits). This diagnostic process will guide local governments in identifying areas requiring developmental interventions and ecological restraint.

Initially, a standardised Doughnut Planning Template (DPT) may be developed collaboratively by the Kerala State Planning Board and the Kerala Institute of Local Administration (KILA). Furthermore, incorporating sustainability audits into local development planning can institutionalise the evaluation of social and ecological outcomes. Successful implementation requires capacity building, technical assistance, and academic collaboration.

In alignment with Raworth's emphasis on participatory governance, citizen co-creation is essential. Gram Sabhas and Ward Sabhas should actively contribute to the preparation of the DPT, ensuring community perspectives inform the selection of indicators and priorities. Finally, aligning 'Doughnut Budgeting' with Kerala's SDG localisation framework and the People's Plan guidelines will strengthen policy coherence for successful implementation.

6. Deficits in the PPC and Relevance of DE in the Kerala Context

One of the major challenges confronting the PPC in Kerala is the bureaucratic capture of local governments, wherein government orders and top-down guidelines often constrain participatory planning processes (Harilal, 2013). Consequently, the planning exercise tends to be dominated by state-level authorities and officials, thereby undermining the principles of genuine decentralisation, local autonomy, and participatory decision-making originally envisioned by the PPC.

Another significant limitation is the inclination to homogenise local contexts. Planning practices frequently treat all local governments as uniform entities, disregarding the distinct economic, social, and ecological characteristics of each Panchayat, Municipality, or Corporation. Moreover, the low utilisation rate of development funds highlights a persistent disconnect between resource allocation and effective grassroots implementation.

The DE framework offers valuable insights to mitigate these deficiencies by fostering context-specific profiles for each local government, enabling them to visualise and assess their unique social and ecological performance. Emphasising the principle of subsidiarity, the DE approach advocates decision-making at the most local yet competent level, thereby enhancing local autonomy, reducing bureaucratic dominance, and strengthening participatory governance.

7. Limitations of Doughnut Economics

Although DE has been widely commended for integrating the imperatives of social equity and ecological sustainability, its applicability in decentralized planning exercises reveals that the framework is not without significant theoretical and practical limitations. Critics contend that the DE model lacks a robust set of policy instruments or institutional mechanisms to facilitate its translation from conceptual vision into concrete economic practice, thereby positioning it more as a normative framework than an operational model (Eriksson, 2022). Horwitz (2017) further argues that Raworth's conceptualization inadequately addresses the political economy dimensions of implementation — specifically, the requisite political will, power dynamics, and governance structures necessary to operationalize such a paradigm shift — thus casting doubt on its pragmatic feasibility.

Moreover, the measurement and comparability of indicators within both the social foundation and ecological ceiling dimensions remain methodologically complex, particularly across diverse socio-economic and geographical contexts. The model has also been critiqued for its insufficient engagement with the roles of economic growth, trade liberalization, and technological innovation as potential drivers of poverty reduction and social progress (Eriksson, 2022).

Additionally, attempts to localize the global DE framework have exposed challenges related to data availability, institutional capacity, and governance, particularly in developing economies. Turner and Wills (2022) demonstrate how downscaling the Doughnut framework poses three key local challenges: identifying local planetary boundaries, defining local social foundations, and addressing data limitations while monitoring progress. Despite these limitations, the DE framework retains significant heuristic value as a transformative lens through which to reconceptualize the pursuit of sustainable and inclusive development.

8. Discussion and Conclusion

The DE framework possesses significant potential to revitalize and enhance the legacy of the PPC in Kerala. The integration of local development planning with the principles of Doughnut-level planning at the grassroots level in Kerala demonstrates a replicable model that can be extended to

other Indian states. The PPC, as a pioneering experiment in participatory decentralization, provided the foundational experience for subsequent national initiatives.

Drawing upon Kerala's PPC model, the Government of India launched an adapted version of the planning exercise at the national level, which subsequently evolved into the Gram Panchayat Development Planning (GPDP) process across States and Union Territories. In a similar manner, embedding Doughnut-level planning within the institutional framework of Kerala's PPC could serve as a prototype for national adaptation, promoting sustainable and inclusive local governance.

While Raworth (2017) references Mahatma Gandhi in her articulation of an alternative "humanistic economics" — an economy oriented towards moral and ecological well-being — she does not explicitly engage with the Gandhi–Kumarappa framework of sustainable development. Nevertheless, the underlying ethos of Gandhi¹ and J.C. Kumarappa's (1945) economic philosophy — emphasizing self-sufficiency, ecological balance, and moral responsibility — is implicitly reflected in the DE paradigm proposed by Raworth.

Raworth (2017, p. 9) contends that "this century we need some pretty insightful managers to guide our planetary household, and ones who are ready to pay attention to the needs of all of its inhabitants." Extending this proposition to the realm of decentralized governance, it may be argued that the twenty-first century equally demands empowered local governments endowed with genuine autonomy and substantive devolution of funds, functions, and functionaries.

Acknowledgements

The author would like to express sincere gratitude to the anonymous reviewers for their careful reading and insightful comments.

Notes

¹ "Earth provides enough to satisfy every man's need, but not to every man's greed." Quoted by Kenyalang (1999) and E. F. Schumacher (1973, p. 29).

References

- Cattaneo, C., Hanbury Lemos, M.M., Humpert, V., Montlleo, M., Tello, E., and Demaria, F. (2024). Ecological Economics into Action: Lessons from the Barcelona City Doughnut. SSRN. <https://ssrn.com/abstract=5040801>
- Chathukulam, J. and Joseph, M. (2023). Political and Administrative Hegemony of Left Democratic Front in Kerala in Policy Making and Policy Implementation with special reference to People's Plan Campaign. *Mainstream Weekly*, 61(5).
- Chathukulam, J. and Tharamangalam, J. (2021). The Kerala Model in the Time of Covid 19: Rethinking State, Society and Democracy. *World Development*, 137, 105207.
- d'Assenza-David, H. (2026). Doughnut economics, an ambiguous innovation in Amsterdam governance. *Territory, Politics, and Governance*, 1–17.
- Eriksson, F. (2022). Towards a Critical Understanding of Doughnut Economics – The case of Tomelilla, Sweden (Master's thesis, Lund University). Lund University.
- Fanning, A.L. and Raworth, K. (2025). Doughnut of social and planetary boundaries monitors a world out of balance. *Nature*, 646, 47–56.
- Harilal, K.N. (2008). Redesigning Local Governance in India: Lessons from the Kerala Experiment. In F. Saito (ed.), *Foundations for Local Governance*. Physica-Verlag HD.
- Harilal, K.N. (2013). Confronting Bureaucratic Capture: Rethinking Participatory Planning Methodology in Kerala. *Economic and Political Weekly*, 48(36), 52–60.
- Heller, P. and Isaac, T.M.T. (2005). The Politics and Institutional Design of Participatory Democracy: Lessons from Kerala, India. In B. de Sousa Santos (ed.), *Democratizing Democracy*. London: Verso, pp. 407–443.
- Horwitz, S. (2017). There's a Hole in the Middle of Doughnut Economics. *FEE*, 26 July.
- Isaac, T.M.T. and Franke, R.W. (2021). *People's Planning: Kerala, Local Democracy and Development*. Montclair State University.
- Kannan, K.P. (2000). People's Planning: Kerala's Dilemma. *Seminar*, 485(1), 1–10.
- Kenyalang. (1999). Earth provides enough to satisfy every man's need, but not for every man's greed. *Bulletin of Concerned Asian Scholars*, 31(3), 59–71.
- Kumarappa, J.C. (1945). *Economy of Permanence: A Quest for a Social Order Based on Non-violence*. Sarva Seva Sangh Prakashan.
- Raworth, K. (2017a). *Doughnut Economics: Seven Ways to Think Like a 21st-Century Economist*. London: Random House Business.
- Raworth, K. (2017b). A Doughnut for the Anthropocene: humanity's compass in the 21st century. *Lancet Planet Health*, 1(2).

Rockström, J. et al. (2009). Planetary boundaries: Exploring the safe operating space for humanity. *Ecology and Society*, 14(2), 32.

Schumacher, E.F. (1973). *Small Is Beautiful: A Study of Economics as if People Mattered*. London: Blond and Briggs.

Sen, A. (1999). *Development as Freedom*. Oxford: Oxford University Press.

Shao, Q. (2025). Sustainability evaluation of the doughnut economics: A bibliometric analysis. *Earth's Future*, 13(4), e2024EF004638.

Törnquist, O. (2021). In *Search of New Social Democracy: Insights from the South — Implications for the North*. London and New York: Zed.

Turner, R.A. and Wills, J. (2022). Downscaling doughnut economics for sustainability governance. *Current Opinion in Environmental Sustainability*, 56, 101180.

Williams, M. (2008). *The Roots of Participatory Democracy: Democratic Communists in South Africa and India*. New York: Palgrave Macmillan.