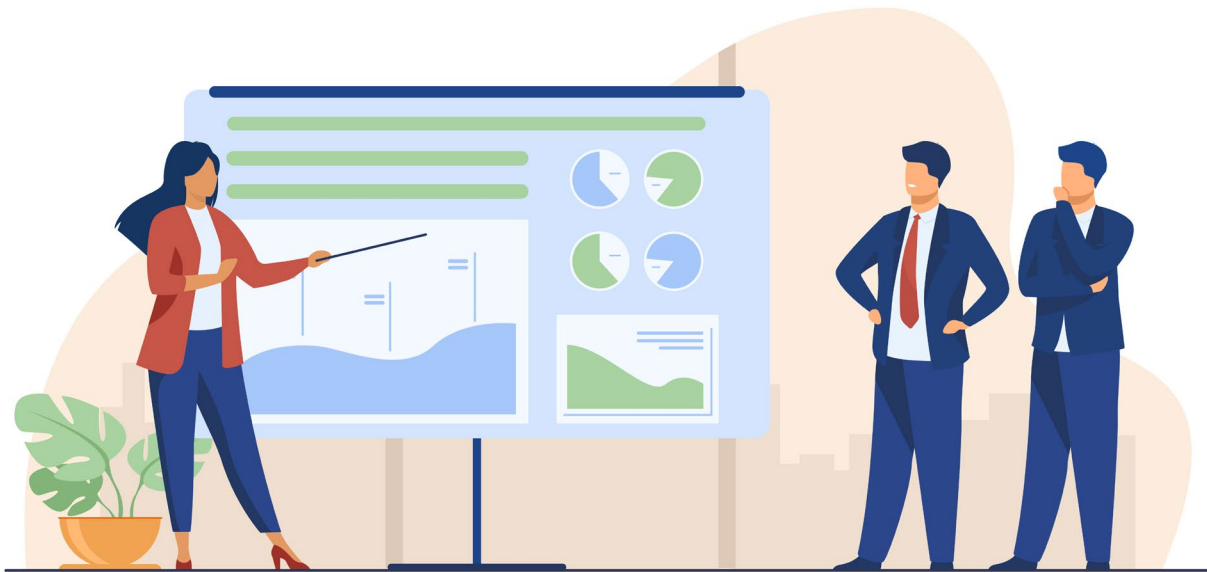


This issue snapshot is excerpted from [Unmasking the Future](#) (2021), a scan of major current socio-economic trends and developments, at local, provincial, national and international scales, authored by James Stauch of the Institute for Community Prosperity, commissioned by the Calgary Foundation.



FEMINIZING FINANCE:

The Age of She-economics

Pope Francis seems like an unlikely and perhaps incredulous place to start talking about the feminization of the economy. Yet, in his new book *Let Us Dream: The Path to a Better Future* the Pontiff observes “the perspective that women bring is what the world needs at this time”.⁹⁶ Indeed, as a social impact educator, the more I talked about social change in the classroom, the harder it became to ignore the elephant in the room: The economic system and the urgent imperative for alternatives. Conventional economic thinking and practice – dominated in the past few decades by supply-side “neoclassical” (also called “neoliberal”) thinking – has played a central role in perpetuating fissures, flaws and grotesque social and ecological outcomes. But since 2008, it has also been difficult to give credit to neoliberal economics even on its own merits – economic growth, vitality and productivity. While markets have indeed grown, there is little relationship anymore to the general prosperity of populations.

An analysis looking at the past 50 years across 18 OECD countries, further revealed that supply-side economic policies – tax cuts to the wealthy and corporations intended to spur growth and investment – produced no evidence of significant growth.⁹⁷

The Pope mentioned two economists, in particular. The first is Kate Raworth of the University of Oxford, who is pioneering an economic framework not based on exploitation (nor its shadow twin, deprivation), but rather on an economy bounded by strong social foundations and civil institutions on the one hand (the centre of her ‘doughnut’ metaphor), and by ecological limits on the other hand (the outside perimeter of the doughnut). Raworth has also chronicled the counter-neoliberal revolutions within the discipline of economics itself that have been building now for a generation. The second economist on the Pope’s reading list is Mariana Mazzucato of the University College London.

The last couple of years have seen the ascendance into the mainstream of a new wave of female economists with a more evidence-informed, and socially-inclined reboot of the field: In addition to Mazzucato, Raworth, and Rebecca Henderson (mentioned in an earlier section) the new influential voices include deficit myth-busting Stephanie Kelton, disruption guru Carlota Perez (the Schumpeter of the 21st century), the profiteering-exposing analyses of Stephanie Stantcheva, and MIT’s Esther Duflo, who is righting the discipline’s historic neglect of poverty.⁹⁸ Dame Ellen MacArthur, though not an economist, has probably had the most profound *philanthropic* influence on new economic thinking, through her namesake foundation, a charity that works with business and education to accelerate the transition to a “circular economy” (a movement that now has serious traction among Canadian corporations).

“Back in Ancient Greece, when Xenophon first came up with the term economics, he described the practice of household management as an art. Following his lead, Aristotle distinguished economics from chrematistics, the art of acquiring wealth—in a distinction that seems to have been all but lost today.”

Kate Raworth, *Doughnut Economics: Seven Ways to Think Like a 21st-Century Economist* (2017)

“We need to focus on economic nutrition. Right now, we are using money to kill life. An economy that works is one that serves people with dignity.”

Zita Cobb, Founder and CEO, Shorefast

A big part of the new economics is the recognition of human care. Blindingly obvious now, post-COVID, it was a blindspot for most of mainstream economics. The groundwork for building care into economic thinking was laid by early feminist economists like Marilyn Waring, whose work on holistic well-being-based measurements of economic prosperity laid the groundwork for New Zealand Prime Minister Jacinda Ardern’s pledged replacement of the GDP in country-wide economic planning, reporting and policy making. Manulife Chief Economist Frances Donald has also warned that GDP is increasingly a useless measure for real progress⁹⁹ and there have recently been calls for an Indigenous imperative to an alternative GDP.¹⁰⁰ In a similar vein, Ito Peng, Canada Research Chair in Global Social Policy at the University of Toronto, has done extensive research on the “care economy”, and its role in underpinning a productive economy. The market value of care work (health care, education and services for children, the elderly and those with disabilities) is very low (hence why work is overwhelmingly female, employing mainly recent immigrants and people of colour). Yet, Peng estimates it is worth \$11 trillion/year (or at least 9% of global GDP).¹⁰¹ Incidentally, the history of the non-profit sector, which consists of over 80% female employment in Canada, can also be read in this light – it is undervalued, it is treated with a completely different set of rules than the marketplace (far more paternalistic, comparatively voiceless, and with fewer financing tools at its disposal).

Mariana Mazzucato’s work is a perfect launching point for the next topic. She is leading the intellectual charge for the re-assertion of strong public government investment in the economy, laying to waste (as if the Great Recession of 2008 already hadn’t) the last intellectual fragments of the neoliberalism so vaunted by Milton Friedman and his devotees in think tanks across North America and beyond.¹⁰² In conversation recently with Rotman School of Business Dean Roger Martin, the two powerhouse economic thinkers agreed that the obsession with “efficiency” at the expense of values like “inclusion” and “sustainability” has produced unacceptable levels of inequality and a weak middle class in North America, made worse by the fetishization of shareholder primacy.¹⁰³

