

IT'S THE CIRCULAR ECONOMY, STUPID.

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Hard to believe it's been thirty years since political strategist James Carville coined the infamous "it's the economy, stupid" phrase during the 1992 US presidential election. Economic and climate concerns converge these days as inflation rages around the world and scientists warn we will miss the 1.5C temperature target agreed in Paris. Advocates of the circular economy model¹ argue that our only chance of survival is to abandon the 'take-make-dispose' linear model of growth in favour of a more circular model which reduces the production of waste in the first place and optimises reuse and [recycling](#). As global leaders convene in Egypt next week for COP27, will the rallying call be 'it's the circular economy, stupid'? Or will it be more empty promises and hot air?

In our day jobs, more and more donors, practitioners, and public and private partners are coalescing around the need for greener growth. Driven by compliance, consumers, or compassion, there is a trend towards more sustainable production and consumption, of course at varying speeds and benefiting different groups in different ways. Studies abound demonstrating how poorer people and countries have contributed less to rising global temperatures and are more likely to be negatively affected by a warming [earth](#). Is a circular economic model the answer? Can we design and recycle our way to a decarbonised future that improves incomes of vulnerable groups, too? Or are we simply at risk of contributing to the growing body of 'bullshit in the sustainability and transition' [literature](#) by simply even blogging about inclusive circular economies?

MSD 101 reminds us to define our target group and a feasible opportunity for change, based on businesses or public agencies' incentives and capacities to change. That can be challenging enough in many contexts before adding considerations of circularity. Interestingly, not a single mention of the circular economy appears on the [BEAM Exchange](#) and one of the leading circular economy organisations only mentions poverty twelve times on its site, suggesting inclusive circular economy remains a twinkle in the eye. Never one to shy away from a challenge, though, we offer three quick and dirty reflections on the possibility for aid-funded MSD programmes to facilitate inclusive circular economic opportunities depending on whether a target group is an employee, a producer, or a consumer.

Don't throw the recycled baby out with the rising sea water

Advocates of circular economy are quick to remind us that 'circular economy is more than [recycling](#)'. And right they are. Preventing waste in the first place is the first rule of circularity. But in many countries where MSD programmes are commissioned, formal recycling is in its infancy and solid waste management continues to exacerbate environmental and public health issues. Moreover, informal recycling is often an important livelihood for the urban poor. Perhaps a pragmatic step in the circular direction is to give greater weight to sectors that offer recycling possibilities, whether that's supporting business models that improve service delivery, the development of extended producer responsibility schemes, or supporting technology transfer for nascent sub-industries, all of which offer increased employment opportunities.

Decarbonisation by design

As I write this, I'm wearing shoes made from recycled marine plastics and just used some loo roll that has no cardboard insert. Virtue signalling complete, what realistic prospects for inclusive circularity are there in terms how products are designed? This seems to be the most uncharted of territory from my experience and a rapid review of examples. However, a growing global initiative of leading companies have joined the Plastics Pact, committed to reducing the amount of single use plastics in their packaging. This may be to respond to increasing government regulation or consumer [preferences](#), but the direction of travel is away from single

¹ Over 114 definitions of circular economy were identified in a recent [review](#), suggesting a fair amount of fuzziness surrounding the term. For what it's worth, the definition proposed by the deep dive into CE definitions is "an economic system that replaces the 'end-of-life' concept with reducing, alternatively reusing, recycling and recovering materials in production/distribution and consumption processes."

use. One possible way to make this transition as inclusive as possible is to use more compostable forms of packaging, which includes materials made from corn, bamboo, and even mushrooms, which were the primary packaging materials for food only fifty years ago before the rise of single use plastics. Should you find yourself in an agricultural market with a target group of corn, bamboo, or mushroom producers and a company willing to change its packaging products, perhaps there is circular opportunity there.

Sharing is caring

Thirteen years after its founding, Uber is the largest ride sharing company in the world. Fun fact: the same year Uber was founded, a [tractor-sharing](#) initiative was launched in Nigeria as part of the PrOpCom programme to offer tractor services to farmers for whom outright purchase of a tractor was beyond their means. I won't 'circularwash' these examples and suggest they were designed to decrease consumption of heavily polluting transport. But they, and many others across income strata, have demonstrated the viability of sharing models, which *can* reduce overall consumption, whilst increasing equity in service provision, whether offering transportation to neighbourhoods where taxis wouldn't go, in the case of Uber in Chicago, or providing a critical service to improving farm productivity in Nigeria. Perhaps more explicit consideration of sharing business models is another way in which MSD programmes can explore the feasibility of circular solutions to reduce consumption and improve services.

We've said before that climate change requires systemic solutions. And MSD was developed on the basis that poverty reduction does, too. At risk of adding our voices to the 'sustainability bullshit' literature, it's worth getting crunchy about what that could look like in an MSD context. To borrow from the old adage, will rising tides – circular or not – actually lift all boats? Or will a lot of people be left in flooded, low-lying areas whilst the electric boats cruise by? Only time will tell, but we can make a start by getting realistic about feasible opportunities for inclusive circularity.