



Moving Toward a Just & Sustainable Economy: Overview

Policies for Circular Economies



A circular or regenerative economy provides good jobs, access to opportunity, and healthy neighborhoods, while protecting communities from air pollution, toxic contaminants, and destructive environmental practices. Cities, towns, and counties can support economic recovery and long-term sustainability by passing resolutions that get started on the path to a circular economy, better jobs, and less pollution.

Why a Circular Economy?

A strong economy ensures people have good jobs and can support themselves and their families. But our current economy is based upon an ongoing taking of resources from the natural world, resources that are used for a short period, and then dumped in landfills and

incinerators. This wastes our money and pollutes our air and water, making us sick and hurting the natural systems that sustain us. A circular economy minimizes use of new resources, reuses and recycles products and materials, and protects and regenerates natural systems.

What Is a Circular Economy?

A circular economy is an economic system in which products and processes are designed so materials and products stay in use and maintain value, minimizing resource use and waste and letting natural systems thrive.



Businesses and governments are already exploring sustainable approaches and policies. The concept of a circular economy brings these approaches together into one unified way to support families, businesses, and the environment.

Moving toward a circular economy brings a variety of benefits:

- **Provides Jobs & Economic Benefits:** Circular economies support new jobs, save consumers money, and create stable long-term economic development.¹
- **Mitigates Climate Change:** Circular economies reduce contributions to climate change by reducing and avoiding resource extraction, which may be directly or indirectly associated with high carbon emissions.²
- **Supports Environmental Justice:** Many low-income communities and Black, indigenous, and other communities of color are plagued by toxic air, soil, and water pollution due to incineration, landfills, and resource extraction where people live. While a circular economy will not end injustice related to racial and class by itself, a circular economy will lead to waste becoming obsolete, presenting a more permanent, consistent, and healthier solution to the problem of polluted communities.³

Using Local Policies to Create a Circular Economy

Circular economies are designed to reuse, recycle, or create new uses for materials and products. They are different than traditional linear economies, in which materials are extracted to build single-use products that are then thrown away. Circular economies have three guiding principles: to avoid waste, keep materials and products in use, and regenerate natural systems. Creating a circular economy involves steps by government, support for businesses as they design products and services for reuse and without waste, and changes in consumer practices. Circular use principles can be applied to a broad range of resources and materials, from water and food to plastic, metal, and concrete.

Local governments can support and advance circular economies through a variety of policy approaches:

Resolutions

To get started, local governments can adopt a [resolution in support of a circular economy](#), setting out steps that local government can take to explore potential for increasing local circular practices. Engaging in an *assessment* of current material and waste flows and developing a *circular economy plan* are other important early steps.

Incentives & Requirements:

Depending upon state law and local initiative, local governments can take additional steps, such as:

- *Plastic bag and plastic food packaging bans.*
- *Food waste restrictions* that encourage or require composting and other measures to keep food waste out of waste streams.
- *Extended producer responsibility laws* that require producers to take responsibility for disposing of consumer waste across various products.
- *Municipal procurement policies* focused on ensuring that local governmental purchases follow circular processes.
- *Incentives* to encourage adoption of circular practices for existing businesses or establishment of new circular businesses.

References

1. McKinsey Quarterly, "[Mapping the benefits of a circular economy](#)," June 1, 2017, Hans Stegeman, "[The potential of the circular economy: From circular materials cycles to a circular macroeconomy with scenarios for the Netherlands](#)," RaboResearch - Economic Research, 2015.
2. Ellen MacArthur Foundation, "[Completing the Picture: How the Circular Economy Tackles Climate Change](#)," 2019.
3. Karen Bell, "The Causes of Environmental Injustice," in *Achieving Environmental Justice: A Cross-National Analysis*, 2014, DOI: 10.1332/policypress/9781447305941.001.0001.

Additional Resources

[Ellen MacArthur Foundation Circular Triangle](#)