Circular Economy: The Concept and its Limitations

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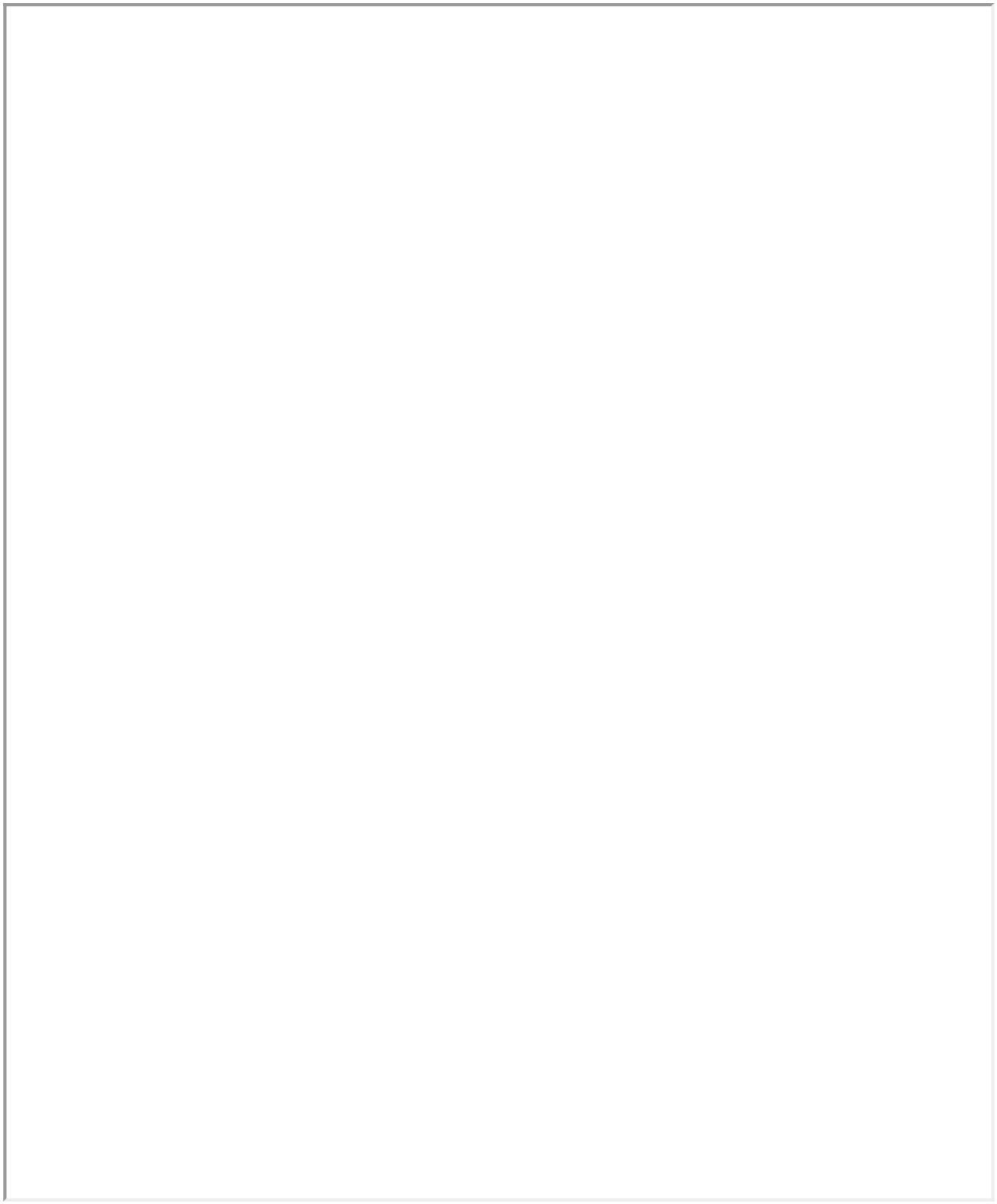
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Why did we select this research:

The concept of circular economy has been gaining momentum for the past decade, yet it has been in the past few years that higher and higher levels of interest have been shown towards it. Nevertheless, it seems that no accurate agreed understanding of the concept and its true implications are yet on the table. This article focuses on this.

Key findings:

- There is a clear and real potential for circular economy to succeed in all the three dimensions of sustainable development: economic, environmental and social.
- Circular economy highlights the importance of high value and high quality material cycles in a new manner. It also shows the possibilities of the sharing economy alongside sustainable production for a more sustainable production and consumption culture (behavioral change on consumers and consequently, on producers). Pressuring power to change market dynamics.
- Nevertheless, there are some limits and challenges in the concept of circular economy regarding environmental sustainability. For instance those concerning the definition of circular economy system boundaries and challenges in the governance and management of the circular economy type interorganizational and inter-sectoral material and energy flows.



Reference:

Korhonen, J., Honkasalo, A., & Seppälä, J. (2018). Circular economy: the concept and its limitations. *Ecological economics*, *143*, 37-46.