

# An Introductory Note on the Environmental Economics of the Circular Economy

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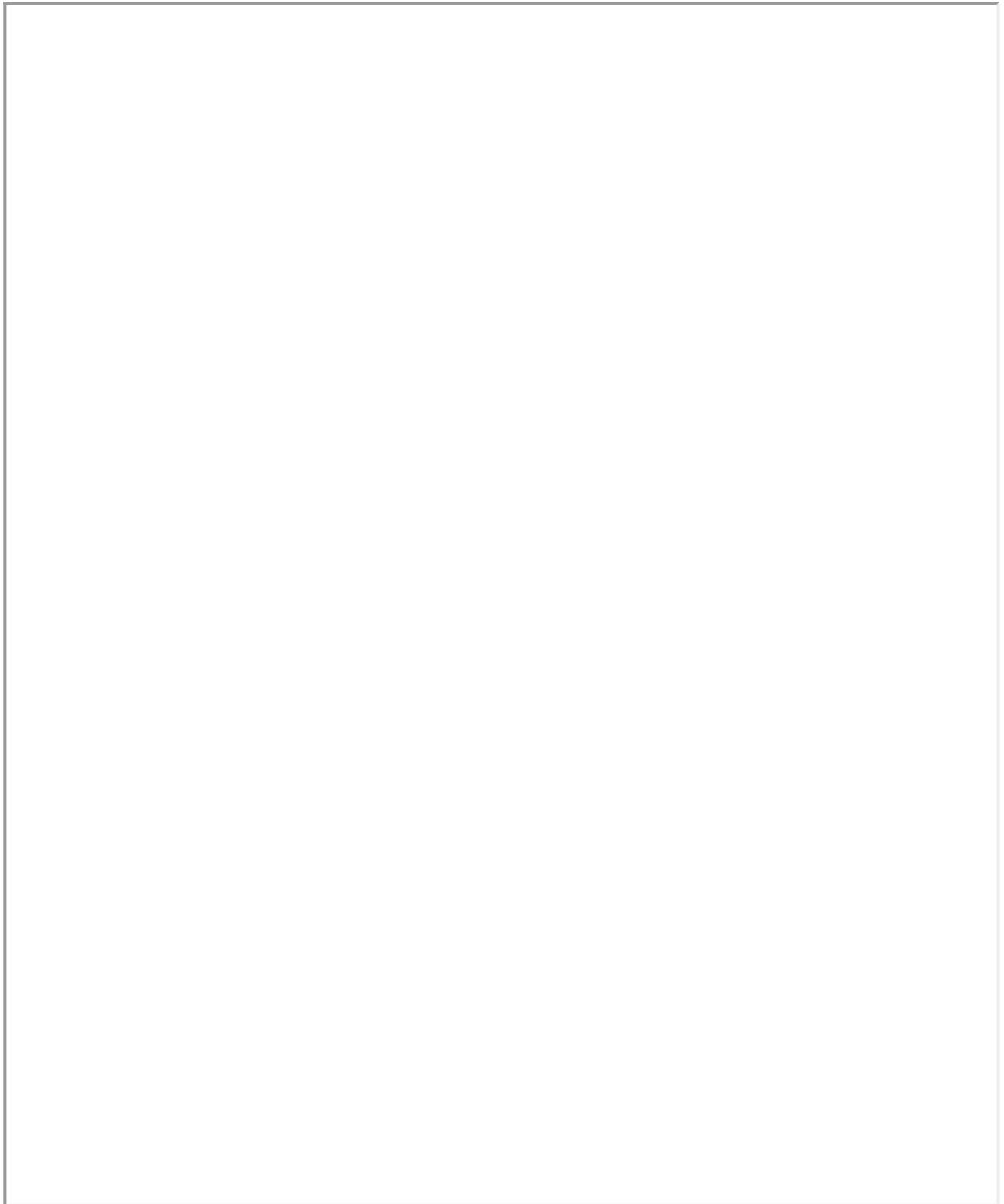
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## Why did we select this research?

The environment not only provides amenity values, in addition to being a resource base and a sink for economic activities, it is also a fundamental life-support system. Environmental economists have suggested that, taking these four functions as an analytical starting point, unpriced or underpriced services should be internalized in the economy. In Europe significant advances have been achieved in the pricing of externalities by means of truly interdisciplinary analysis which accounts in detail for the environmental consequences. The circular economy can be the next step.

## Key findings:

- The challenge in accounting for external effects is very much related to the necessity to transcend disciplinary orientations and to combine the knowledge and data available in various subfields.
- The establishment of a future trajectory for a circular economy will require that this approach be extended so that the broader issue of sustainability can be addressed more comprehensively.



## Reference:

Andersen, M. S. (2006). AN INTRODUCTORY NOTE ON THE ENVIRONMENTAL ECONOMICS OF THE SHARING ECONOMY. *Sustainability Science*, Volume 2, Issue 1. pp. 133-140.

Link:

<https://link.springer.com/article/10.1007/s11625-006-0013-6>

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