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**Article**

## The circular economy between desiderate and realities

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## THE CIRCULAR ECONOMY BETWEEN DESIDERATES AND REALITIES

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The present issue of Amfiteatru Economic Journal addresses the subject of the circular economy, bringing together research contributions to a better understanding of the current state and perspectives of the adoption of economic and business models conceived to give resources' highest utility and value in every stage by reducing waste, reusing and recycling.

Contributors are approaching the circular economy from different perspectives. Some are concerned with the macroeconomic and social conditions accompanying a higher circularity in the economy, while others focus on businesses' and individuals' behaviours.

By a "*Quantitative Approach to Circular Economy in the OECD Countries*" researchers use cluster analysis, correlation analysis and path analysis to uncover significant links and dependencies between economic growth, research-development and education on one side and the recycling rate on the other. The original contribution here relies in the proposed methodology, while the findings are quite predictable: countries with a higher GDP per capita tend to spend more on R&D and education which in turn influences the recycling rates.

In contrast, the author of "*The Socio-Economic Determiners of Recycling: An Analysis on European Countries Through a Macro Perspective*" finds that the packaging waste recycling rate is positively correlated with the level of education, but inversely correlated with the income level.

The relationship between education and behaviours specific to the circular economy also makes the object of study in the paper entitled "*Econometric Model for Measuring the Impact of the Education Level of the Population on the Recycling Rate in a Circular Economy*". Apparently, only tertiary education is significantly correlated with higher recycling rates, while lifelong learning is found to be in a negative correlation with the recycling behaviour.

Attempting an "*Assessment of the Circular Economy's Impact in the EU Economic Growth*", other authors use time series data panel regressions to measure the impact of waste recycling rate on the resource productivity, confirming the hypothesis that recycling contributes to increasing resources productivity and thus to higher economic growth rates. However, they found a negative relationship between the real GDP growth rate and the number of patents related to recycling and secondary raw materials, which reveals that innovation is motivated predominantly by environment protection objectives, neglecting the concomitant goal of increasing resources' productivity.

Another interesting contribution highlights the role of regional characteristics in addressing the challenges of the circular economy, introducing a concept of circular economy potential relying on a composite index methodology. In the article "*The Characterization of the Romanian Circular Economy's Potential, at County Level*", authors develop an aggregated

indicator called the Circular Economy Potential Indicator (CEPI) with six dimensions and 16 individual variables.

There is a mutual interdependence between policies devoted to sustainable development at macro-economic level and business level behaviour. A theoretic and methodological contribution based on empirical observation at analysing the mutual relations and influences between the two levels is brought in the article *“Sustainable Technology and Business Innovation Framework – A Comprehensive Approach”* where researchers propose three related matrices model: 1. Sustainable Economy dimensions and Sustainable Business goals; 2. Sustainable Business goals and Sustainable Technology & Business Innovation principles and 3. Sustainable Technology & Business Innovation principles and Technology and Business models.

Two articles in this journal issue’s collection focus the attention on the case of SMEs: *“SMEs and the Circular Economy: From Policy to Difficulties Encountered During Implementation”* and *“Perceptions of Circular Business Models in SMEs”*. The first highlights the non-availability of circular economy related knowledge and expertise and high compliance costs as main barriers that hinder the transition toward circular economy in SME. The second article, try to capture SMEs perception of the contribution to value creation of the six business actions toward circular economy proposed by the ReSOLVE framework.

A similar approach, addressing the perception of business owners about how sustainability consciousness influences business performance is taken in the paper *“Circular Economy – A New Direction for the Sustainability of the Hotel Industry in Romania”*. Here, authors have tested which of the management standards frequently implemented in the Hotel industry are perceived as being more beneficial in terms of boosting revenues and found that ISO 9001 is considered to be the main driving force towards increased performance, while ISO 14000 implementation is seen as being quite neutral.

New business models – based on sharing, leasing, reuse, repair, refurbishment and recycling – support the transition to the circular economy. In this respect, readers will find in this issue empirical research on leasing transactions (*“Business Models for Circular Economy and Sustainable Development: The Case of Lease Transactions”*) and sharing economy (*“From Ownership to Access: How the Sharing Economy is Changing the Consumer Behaviour”*).

Despite the importance of consumers’ preferences in shaping the characteristics of the economy and in creating proper incentives for businesses, only one contribution is here focusing on consumers’ behaviour, namely *“Reuse of Electronic Equipment and Software Installed on Them – An Exploratory Analysis in the Context of Circular Economy”*. Research has shown that users frequently replaces electronic devices as laptops and mobile without considering the possibilities of reuse the software.

*Managing Editor,  
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