Finance and Circular Economy: A United States Perspective

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Abstract

The circular economy (CE) is a new economic model that reconciles economy, growth, and environmental preservation in a societal approach. The development of this alternative model to the linear model necessarily relies on adapted financial mechanisms. Our research aims to identify the financial resources directed towards the ecological and circular transition, with a focus on the United States. Based on a review of current research and other documentation, we find that the transition to a circular economy is finally getting significant traction among many influential American financial institutions, entrepreneurs, and corporations. However, the role of US public authorities has been modest, especially at the federal level. We discuss the barriers slowing the transition from the current linear economy to a circular economy and present some measures that may help overcome these barriers.

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