



To what extent have existing economic activities adopted ‘circular practices’, and how are these practices spatially embedded in the Brussels Capital Region economy and society?

Key messages

1

Rather than a clearly defined monolithic economic model, the CE materializes as a set of variegated and socio-spatially distinct practices, including long-held mundane re-using and valorisation practices often carried out without the ‘circular’ label. As it offers multiples routes for scaling-up circularity, this plurality (including business models and strategies that are less market oriented) must be acknowledged and nurtured in policy tools.

2

As a key part of the urban economy, providing goods and services, as well as jobs (9% of the total employment in the BCR), the retail sector is a key site where these practices can be examined, evaluated and leveraged for more effective policy support of the circularity transition. In this regard, research shows that although retailers have practices that support the transition to a circular economy, to a large extent circular practices have not entered retail yet.

3

When examining how circular practices are spatially embedded in the region’s economy and society, one major concern relates to mismatches between the economic profile of circular enterprises and the socio-economic profile of the neighborhood, potentially fuelling eco-gentrification.

Key messages

4

Another key concern is the quality of the ‘circular jobs’ created locally, the overall observation being that CE jobs are significantly marked by precarious and short-term contracts, unpaid labour through volunteering, and underpay and enclosure through digital platforms

5

Entrepreneurship and citizen-led initiatives beyond for-profit models provide examples of more sustainable socioeconomic embeddedness beyond high/mid income areas and areas with significant gentrification trends. There is scope for further nurturing and learning from them by actively enabling coalitions from the ground up in diverse neighborhoods.

Introduction

The question of achieving an equilibrium between, on the one hand, the socio-economic diversity of the BCR's inhabitants, and, on the other, the requirements of the BCR's potential transition towards the circular economy paradigm has been a concern at the core of both the Regional Plan for Circular Economy (PREC) and the Innoviris Anticipate 2017 call on the "circular economy" (CE). This framing is somewhat less sensitive to the more fine-grained economic geographies of small and medium enterprises (SMEs) as well as profit/non-profit citizen initiatives in the BCR.

This four-year study investigated the fundamental question of what social structures and institutions are required at the urban scale to achieve an equilibrium between, on the one hand, the socio-economic diversity of the BCR and its inhabitants, and, on the other hand, the requirements of the BCR's potential transition towards the circular economy paradigm.

Methods, approaches and results

- We have set up a survey conducted in co-operation with hub.brussels to shed light on circular economy practices of small and medium enterprises in various retail sectors in Brussels. This focused on the retail sector as it forms an important part of the local economy, providing goods and services, as well as a substantial amount of jobs (9% of the total employment in the BCR). The questionnaire allowed eliciting particular circular behaviours and the operational business strategies in the BCR, and comparing them across sectors and neighbourhoods.

- To produce finer-grained data on the urban economic geographies of CE in the BCR, we used participant observation, semi-structured interviews, and document analysis. Crucially, 40 long interviews and 62 short interviews have been conducted with the different food and transport initiatives as well as with experts and public institutions.

Conclusions

Our findings reveal the CE as a set of variegated and socio-spatially distinct practices rather than a clearly circumscribed monolithic economic model. Some actors clearly position themselves as squarely within the CE without an explicit orientation towards ecological goals. Conversely, quite a few projects have circular objectives and practices, but do not identify as being ‘circular’ as such. A sobering reading is that a transition to the CE is still far beyond the horizon:

explicit CE projects are but a dot in a linear economy sea. More hopefully, the plurality of the CE already embedded in the BCR offers multiple routes to scale-up whilst seeking to address social and ecological issues and connect to a diverse audience in the process. Nonetheless, our cases have shown how the route to a circular transition can present barriers and/or contradictions.

Conclusions

1. While our circularity survey results show that retailers have practices that support the transition to a circular economy, to a large extent circular practices have not entered retail yet.

2. With regard to their spatial embeddedness, while quite a few projects are well embedded in the socio-economic fabric of their neighborhoods, many also underscore key contradictions. These relate to mismatches between the founders, employees and clientele of the projects and the socio-economic profile of the neighborhood, potentially fuelling eco-gentrification. This was obvious in the more market-oriented cases, but also challenges less-profit oriented cooperatives.

3. We find a contradiction between ecological ambitions and the quality of 'circular jobs' created that stops short of delivering the policy goal of turning sustainability transition into economic opportunity. While even more market-oriented projects (e.g., BBP, BIGH) are sensitive to issues of creating local quality jobs, the overall observation is that CE jobs are significantly marked by precarious and short-term contracts, unpaid labour through volunteering, and underpay and enclosure through digital platforms.

4. Regarding how CE transitions are differentially enabled financially, we find that CE initiatives have a wider range of options in terms of financial actors and tools when catering to consumers with higher purchasing power, and/or when projects were able to rely on the collateral value of property ownership (particularly when sitting on high-value land). Accordingly, businesses targeting mid to higher income groups (notably those offering 'artisanal' or 'gourmet' food products crafted from recuperated, short-circuit agro-food waste) could easily explore complementarities across traditional banking, impact investment funds and crowdfunding platforms. In contrast, less market-oriented cases large run by 'bricolaging' between public subsidy funds and corporate strategies of social responsibility and property valuation.

Policy recommendations

One overarching recommendation is to be sensitive to the plurality of CE practices as policies seek to build coalitions between the Region, firms with diverging business models and mission statements, and a variety of community-based, citizen-led initiatives. More specifically, we identified in the project different elements of potential policy actions.

1. Data of the circularity scan of the retail sector demonstrate that this sector still has large potential to become more circular, suggesting that an increased focus of policy on this sector is key.

2. We recommend policies to be sensitive to entrepreneurship and citizen-led initiatives beyond high/mid income areas and areas with significant gentrification trends and actively seek to build coalitions from the ground up in diverse neighborhoods.

3. We call for policies paying attention to job quality more than the number of jobs. One of the key challenges is to find ways to both revalorize currently precarious jobs without necessarily resorting to classic for-profits only. Growing a thick layer of social enterprises is one clear path to take as these can incorporate strategies for practice-based education for residents enhancing labor market inclusion, but such approaches are also viable in the more profit-oriented section of the economy. The financial revalorization of circular jobs that are often unappealing, dirty

or mundane also requires a broader societal sensitization about what essential sectors ultimately keep a city like Brussels running (Bassens & De Boeck, 2022). That implies giving greater visibility to more mundane role-models beyond enlightened entrepreneurs, waste warriors and the likes.

4. With regard to the unequal access to financial solutions in favour of marketable high value-added products and/or projects inhabiting valuable land in the city, we contend that public policies (including public funding and support frameworks, e.g. Be Circular) should care to compensate for this bias, rather than reinforce it by reproducing many of the demands for market value deployed by private financial actors. In this regard, we see scope for Finance & Invest Brussels to strengthen its role as enabler of a thoroughly diverse social innovation, notably by adopting investment screening practices more aligned with public interest and collective values than private investor criteria.

5. Last, but not least, to give the CE a place in the actual fabric of the city, policies must take the issue of access to affordable land seriously, lest we risk lower-market value activities being pushed out of upgrading areas (De Boeck et al., 2017; Williams, 2021). Policies should consider taking land out of the market to give space to such activities and circumscribe social and ecological business goals when zoning areas for circular activities.

List of publications

Bassens, D., De Boeck, S., Kębłowski, W., Lambert, D., Reinhardt, H., 2020. *Toward A Circular Economy Scan: Measuring Circular Practices Among Retailers In The Brussels Capital Region*, Research report of the Circular City research project, funded by Innoviris. October 2020.

Bassens, D., Kębłowski, W. and Lambert, D., 2020. *Placing cities in the circular economy: neoliberal urbanism or spaces of socio-ecological transition?* *Urban Geography*, 41(6), pp. 893-897.

Kębłowski, W. and Rekhviashvili, L., 2020. *Moving in informal circles in the global North: An inquiry into the navettes in Brussels.* *Geoforum*.

Kębłowski, W., Lambert, D. and Bassens, D., 2020. *Circular economy and the city: an urban political economy agenda.* *Culture and Organization*, 26(2), pp. 142-158.

Lambert, D., 2020. *Recycling old ideals? A utopian reading of 'circular' food imaginaries, in Food for Degrowth: Perspectives and Practices edited by Anitra Nelson and Ferne Edwards.* London and New York: Routledge, pp. 159-172.

Lambert, D., Santos, M. and Bassens, D. (forthcoming). *'Investigating The Territorial Embeddedness Of Circular Economic Practices In The Brussels Capital Region', Brussels Studies.* La revue scientifique pour les recherches sur Bruxelles/Het wetenschappelijk tijdschrift voor onderzoek over Brussel/The Journal of Research on Brussels.

Rekhviashvili, L., Kębłowski, W., Sopranzetti, C., Schwanen, T. (2022). *Informalities in urban transport,* *Geoforum*, in press.

About

The author & project

David Bassens is Associate Professor of Economic Geography at Cosmopolis: Centre for Urban Research (Vrije Universiteit Brussel). His research interests lie in two broad areas: (i) Geographies of globalized urbanization: world-city formation and world-city-networks, urban political economies, post-colonial urban critiques, mobility of urban policies; and (ii) Geographies of finance and financialization: financial geography, economic geography, regulation theory, varieties of capitalism, and the sociology of finance. David is also Associate Director of Financialization at the [Globalization and World Cities Research Network](#) and Treasurer and Executive Committee member of FINGEO, [The Global Network on Financial Geography](#).

Answering Innoviris call for an inquiry into the extent to which households in the Brussels Capital Region (BCR) can be enrolled in emerging circular economy models, 'Circular City' addressed three key problems/issues, with the overall aim of improving the existing methods of data collection with regard to identifying, interpreting and improving existing and emergent circular economic practices in the BCR:

1. The first was to anchor the notion of circular economy and the analysis of its related practices within urban studies and planning.
2. The second was to map and assess the current spatial distribution of circular economic practices in the BCR.
3. The third was to analyse how the CE is embedded in the BCR diverse (urban) socio-spatial contexts, economic models, cultural discourses, financial relations, and institutional frames, by focusing on different case studies in the agro-food and transport sectors.

Prospective
research



Through the Prospective Research programme, the Brussels-Capital Region is hoping to fund research projects from a dual perspective: to provide a solid regional prospective vision; to build solutions to the specific challenges it will face in the years to come. The solutions proposed by the funded projects must take into account Brussels' urban complexity as well as the Region's environmental, social and economic transition objectives. The programme targets researchers in human science as much as researchers in exact or applied science.

***WE FUND
YOUR
FUTURE***