

CIRCULAR ECONOMY: AN IDEA WORTH EMULATING

Relevant for: Indian Society | Topic: Urbanization, their problems and their remedies incl. Migration & Smart Cities

Amitabh Kant, the Niti Aayog CEO, has asked for a legislation to promote a shift towards a circular economy model in the country. The concept means minimising the amount of waste creation in the economy through prolonging the use of durable products and shifting to more and more biodegradable ingredients while making day to day products. This also entails a bigger shift towards renewable energy sources.

Kant's concerns are completely justified. India will overtake China as the world's most populated country in less than a decade. This is happening at a time when we expect our growth rate to be above the 7% mark. A combination of these two factors is bound to create a big demand for all kinds of commodities in the country. With continuous innovation in the consumer durable sector, the propensity to generate waste is increasing. As the day to day economy becomes more commercialised, even waste associated with food, such as milk packets and water bottles, are piling up. Solid waste disposal is already an acute crisis in India's big cities. Status quo is not going to help us solve these issues.

However, any efforts to promote a circular economy model will also generate losers in the economy. Currently, most economic actors generating waste do not have to pay for the economic cost of its disposal. In some cases, it is the government which needs to get its act together. For example, unless people are assured of uninterrupted clean drinking water supply, they are unlikely to abandon packaged water consumption. In some cases, the relationship might not be as straightforward as it seems. The choice between renewable and non-renewable energy cannot ignore the already existing sunk costs in non-renewable production, most of which are leveraged with public sector banks. Perhaps it is these concerns which made Kant count the tangible benefits of circular economy when he said it could also generate almost 15 million jobs.

Reducing the burden of economic development on our environment is no longer a matter of choice. Countries such as India face the tough choice of rolling out a well thought out reform or embracing chaos. One hopes that the Niti Aayog and the government will deliver on this challenge.

First Published: Jun 18, 2019 20:01 IST

END

Downloaded from **crackIAS.com**

© Zuccess App by crackIAS.com