

POPULATION WELFARE GROWTH AS THE MAIN PURPOSE OF THE CIRCULAR ECONOMY

Tatiana COLESNICOVA, PhD., Assoc.prof.

National Institute for Economic Research, Republic of Moldova

Mihail CIOBANU, PhD. stud., scient.researcher

National Institute for Economic Research, Republic of Moldova

Abstract: The circular economy is a model of production and consumption that involves sharing, reusing, repairing, renovating and recycling existing materials and products as much as possible. In this way, the product life cycle is extended. In practice, this involves minimizing waste. When a product reaches the end of its life, the materials from which it is made are kept in the economy whenever possible. They can be used again and again, thus creating additional value.

The ultimate goal of the circular economy is the well-being of the population. The European Union produces more than 2.5 billion tons of waste annually. It is currently updating its waste management legislation to promote the transition to a more sustainable model known as the circular economy.

The circular economy deviates from the traditional, linear economic model, which is based on a take-do-consume-throw model. This model is based on large amounts of cheap, easily accessible materials and energy. Also, part of this model is wear programming - designing a product to have a limited lifespan to encourage consumers to buy a new one. The European Parliament has called for measures to combat this practice. This paper aims to uncover the connection between the population welfare growth and the implementation of circular economy practices.

Keywords: circular economy, population welfare, traditional economic model, production and consumption model, Republic of Moldova, European Union.