

Kluwer Mediation Blog

Where there's muck there's brass

Charlie Woods (Core Solutions Group / Scottish Universities Insight Institute) · Friday, December 8th, 2023

Reframing is an important part of the mediator's toolkit. It can help parties look at things from a different perspective to broaden their understanding and it can help put offers and options in a different light to aid resolution.

The importance of reframing was highlighted at a recent [workshop](#) led by academics from the Universities of Heriot Watt and Strathclyde, looking at how to build a more circular economy. Most traditional, 'linear' industrial process involve the production of what is usually termed waste at the end of the process, which then has to be dealt with, incurring costs for the producer. An important element of the circular economy is to reframe this 'waste' as a potentially valuable input to another process, which might generate revenue for the producer.

An example highlighted at the workshop involved turning waste carbon from steel production into ethanol, which was then used in the production of detergents. The reframing waste in this way is sometimes called industrial symbiosis. I had a very practical demonstration of this in a business dispute I was involved in mediating a few years ago – the matter was eventually resolved and agreement reached when it was realised that one firm's waste was a valuable input for the other.

Scotland has form in the area of industrial symbiosis going back many years, through the reuse of sherry, bourbon and other casks in which to mature whisky. A more recent [study](#) estimated that the potential value of waste products from distilling, brewing, and aquaculture in Scotland could be over £500mn per year. Better communication and understanding between industries and companies within them will be key to unlocking this potential.

The idea of building a more circular economy, which moves away from the buy/use/dispose linear model, is crucial to developing a genuinely sustainable future. A number of places such as Amsterdam have made this central to their [plans](#) for the future, while in Scotland the government recently published a Circular Economy [Bill](#).

A 'rounder' economy also fits well with concepts such as Kate Raworth's 'doughnut economy', which is designed to provide a necessary social foundation for human wellbeing at its core, while respecting the natural constraints of the planet in which it must operate.

Another way of framing a more circular economy is as increasing resource productivity. [Earth Overshoot Day](#) marks the date when humanity's demand for ecological resources and services in a given year exceeds what Earth can regenerate in that year. In the early 1970s it was in late

December – this year it is estimated that it fell on August 2. More circular economic processes are central to reversing this trend, particularly if poorer parts of the world are to have the space to develop their full potential. If everyone lived like we do in the UK then on current resource use it is **estimated** we would need 2.6 planets.

In her **book** *Payback* Margaret Atwood reflects on debt in all its senses. This includes a reworking of the story of Scrooge (visited by the Spirit of Earth Day Past, Present and Future) to highlight the real cost of how we have been living, the natural resources we have used and the debt we owe to the biosphere. She draws attention to how reframing mental constructs like debt can change how they work. She concludes: *“Maybe we need to count things, and add things up, and measure things in a different way. In fact maybe we need to count and weigh and measure different things altogether.”* A more circular approach can be part of this sort of rethink and reframe.

An **article** in the Harvard Business Review has identified three broad strategies as a starting point to considering more circular processes:

- Manufacturers retaining product ownership – essentially a leasing model retaining responsibility for disposal – in some cases this might involve providing the service that uses the product while retaining ownership – sometimes called ‘**servitisation**’.
- Product life extension – making higher quality, longer lasting products which enhance consumer desirability and generate higher revenues upfront
- Designing for recycling – e.g. reuse of textiles. By thinking upfront about what will happen to a product when it comes to the end of its life costs can be reduced and more can be reused. This might be framed as ‘preventative spend’.

Policy makers will also have to think careful about how they design policies to promote more circularity. This will involve finding ways, through regulation, incentives or taxation, to bring to the fore social costs (such as pollution) and benefits (such as R&D) that might be overlooked in purely private decision making by consumers and producers.

Reframing will be crucial here as well in gaining wider acceptance. For example, taxes are all too often seen as an imposition by government to be resisted; in the context of promoting a circular economy they might be better framed as duties to deter socially harmful action and help pay for incentives to promote more beneficial activity. More generally taxation could be better framed as the pooling of resources to buy goods and services we will all need at some point in our lives, or co-investment in things like infrastructure and education for the benefit of us all.


There is already a lot going on to make the economies around the world more circular, it’s crucial to learn from and understand different perspectives from different places, within and between sectors and between, providers and customers. It’s not just about being more sustainable, important though that is, there are also many potential business opportunities. Thinking carefully about how we frame things will be a crucial part of the process. As the old saying goes ‘where there’s muck there’s brass’.

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