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Sustainable Economic Policy

Assessment of Resource Efficiency in the European Union

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Abstract

Resource efficiency within the context of sustainable economic policies is first analyzed through two theoretical frameworks – the sustainability triangle (consisting of economic, social and ecological dimensions) and balanced sustainability (combining weak and strong sustainability). Additionally, the Roadmap to a Resource Efficient Europe (COM (2011) 571) is assessed concluding that it partially respects the sustainability triangle as well as balanced sustainability – foremost lacking the social dimension. Further missing elements are indicators to adequately measure resources efficiency in the European Union.

In a second step, following Bleischwitz and Steger (2009) the subsequent empirical analysis focuses on the relationship between resource efficiency and competitiveness as advocated by the European Commission. However, using panel data, dynamic GMM system estimations reveal no robust relationship between resource efficiency and competitiveness. Additional research and enhanced data availability are needed to expand our understanding of resource efficiency paths throughout entire life-cycles. Future policy advice is dependent on improvements regarding these issues.

Keywords: *Sustainability · Resource Efficiency · Economic Policy · European Union · Competitiveness*

JEL classification: *Q38 · Q31 · Q56 · Q58*