



Global Fund for Widows

Sustainability & Social Solidarity:

A Look at How Circular Economic Programming
Can Enhance WISALA Impacts and Outcomes

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The aim of the Global Fund for Widows (GFW) is to empower widows economically and legally around the world with an increasing effort of building sustainable practices at every level by looking toward the United Nations 2030 Agenda on Sustainable Development Goals (SDGs) to guide its programs. There are only eight years left until the goals are meant to be accomplished, however, according to the UN Secretary-General, the world is off-track to achieving the SDGs by 2030.¹ According to the UN SDG Progress Report 2021, SDG 5, Gender Equality specifically the empowerment of women and girls, is only at a moderate level of goal achievement. For instance, trends show that there is limited to no action being currently taken to propel the progress on women's full participation and equal access to opportunities in national parliaments, nor protecting children from child marriage, two issues that GFW has found to be key in advancing widows' human rights.² These setbacks limit the possibilities for women and girls from gaining their self-agency. SDG 8, Decent Work and Economic Growth, shows a moderate distance from target achievement, however, trends show that in 2021 progress was unseen or deteriorating.³ SDG 13, Climate Action, is also deteriorating worldwide in reducing greenhouse gas emissions.⁴ Based on this data, the current momentum of SDG achievement is lagging in all three major pillars of sustainability: social, economic, and environmental, and there is an increased need for better green transitions into large-scale sustainability.⁵

Recent findings by economists and the UN have promoted circular economies to establish social, environmental, and economic sustainability.⁶ The implementation of circular economies are theorized to be more environmentally friendly and still economically fruitful by circulating products among businesses while also cutting costs for new materials for production. In addition to the environmental and economic aspect of sustainability a third pillar, social sustainability, can also be supported by circular economies. As Global Fund for Widows continues its mission to empower

¹ UN News, "'Tremendously off Track' to Meet 2030 SDGs: UN Chief," United Nations (United Nations, July 12, 2021), [https://news.un.org/en/story/2021/07/1095722#:~:text=Between%20720%20and%20811%20million,Goals%20\(SDGs\)%20by%202030](https://news.un.org/en/story/2021/07/1095722#:~:text=Between%20720%20and%20811%20million,Goals%20(SDGs)%20by%202030).

² United Nations, "Sustainable Development Goals Progress Chart 2021," progress-chart-2021.pdf (United Nations, 2021), <https://unstats.un.org/sdgs/report/2021/progress-chart-2021.pdf>, Pg.3.

³ United Nations, "Sustainable Development Goals Progress Chart 2021," progress-chart-2021.pdf (United Nations, 2021), <https://unstats.un.org/sdgs/report/2021/progress-chart-2021.pdf>, Pg.4.

⁴ United Nations, "Sustainable Development Goals Progress Chart 2021," progress-chart-2021.pdf (United Nations, 2021), <https://unstats.un.org/sdgs/report/2021/progress-chart-2021.pdf>, Pg.5.

⁵ Derk Loorbach and Jan Rotmans, "Managing Transitions for Sustainable Development," SpringerLink (Springer Netherlands, January 1, 1970), https://link.springer.com/chapter/10.1007/1-4020-4418-6_10?noAccess=true, Pg. 188.

⁶ Andrew Allimadi, Hanyang Ge, and Wenyan Yang, "The Circular Economy, Cooperatives and the Social and Solidarity Economy | Cooperatives," United Nations (United Nations, August 2, 2021), <https://www.un.org/development/desa/cooperatives/2021/08/02/the-circular-economy-cooperatives-and-the-social-and-solidarity-economy/>.

widows, and to do so through increasingly sustainable methods, implementing circular economies into the businesses widows create will not only allow the organization to participate in green transitions but also support the advancement of SDGs 5, 8, and 13 towards reaching their targets.

Linear Versus Circular Economic Models

Economic models are influential to other aspects of society such as the environment and community dynamics in addition to economic behavior. Currently, linear economies are the predominant economic framework for production and consumption in which businesses are structured. Linear economies have a “cradle-to-grave” philosophy where resources are extracted and used for high yield production and increased profits while dumping excess unused material into landfills.⁷ Although it has been proven to successfully generate material wealth for industrial capitalist countries, this model has been critiqued for its single-use nature.⁹ As of 2018, 48.94 billion tons of greenhouse gas emissions (carbon dioxide, methane, nitrous oxide, and F-gases) were produced worldwide 74.4% of which came from CO₂ emissions.¹⁰ The “take-make-waste” relationship of materials for the production of, “cars, clothes, food, and other products we use every day” creates 45% of total emissions.¹¹ However, under a circular economy, the Ellen MacArthur Foundation expects CO₂ emissions could be reduced by 48% by 2030 addressing the concerns of SDG 13.¹² Both the economically and environmentally negative externalities demonstrate how the linear economic model is unsustainable and over time, will stunt the progress of SDG 8 and SDG 13 subsequent efforts to create dignified work and mitigate climate change.

Circular economies, on the other hand, have been met with great support and optimism by scholars in the fields of business, economics, and sustainable development alongside organizations such as the United Nations in being a sustainable economic model. The UN Environment Assembly defines the circular economic model as one where products and materials are, “designed in such a way that they can be reused, remanufactured, recycled or recovered and thus maintained in the economy for

⁷ Sandeep Goyal, Mark Esposito, and Amit Kapoor, “Circular Economy Business Models in ... - Wiley Online Library,” Circular economy business models in developing economies: Lessons from India on reduce, recycle, and reuse paradigms (Thunderbird International Business Review, December 8, 2016), <https://onlinelibrary.wiley.com/doi/10.1002/tie.21883>, Pg. 729-740.

⁸ Pina Puntillo et al., “Reevaluating Waste as a Resource Under a Circular Economy Approach From a System Perspective: Findings From a Case Study,” Reevaluating waste as a resource under a circular economy approach from a system perspective: Findings from a case study (Environment and John Wiley & Sons Ltd, November 9, 2020), <https://onlinelibrary.wiley.com/doi/full/10.1002/bse.2664>.

⁹ Furkan Sariatli, “Linear Economy Versus Circular Economy: A Comparative and Analyzer Study for Optimization of Economy for Sustainability,” Linear Economy Versus Circular Economy: A Comparative and Analyzer Study for Optimization of Economy for Sustainability (Visegrad Journal on Bioeconomy and Sustainable Development, May 24, 2017), <https://www.sciendo.com/article/10.1515/vjbsd-2017-0005>, Pg. 31-32.

¹⁰ Hannah Ritchie, Max Roser, and Pablo Rosado, “Greenhouse Gas Emissions,” Our World in Data (Our World in Data, May 11, 2020), <https://ourworldindata.org/greenhouse-gas-emissions#annual-greenhouse-gas-emissions-how-much-do-we-emit-each-year>.

¹¹ Ellen MacArthur Foundation, “Completing the Picture - Executive Summary: Shared by Business,” Completing the picture - Executive Summary | Shared by Business (Ellen MacArthur Foundation, Material Economics, September 26, 2019), <https://emf.thirdlight.com/link/rl0yth77pffc-jqkp5d/@/preview/1?o>, Pg. 12.

¹² Patrick Schroeder et al., *The Circular Economy and the Global South Sustainable Lifestyles and Green Industrial Development* (London: Routledge, Taylor & Francis Group, 2019), Pg. 8.

as long as possible.”¹³ This model views excess material and waste as a resource that should remain in a circular flow of materials available for other businesses to use. This way, all potential value of the material can be realized based on how the material was used after it was initially processed. By doing so, resource demand, extractive production, and high consumption patterns normalized under the linear economic model can shift to one that is minimally extractive with conscious production and consumption practices. The core purpose of changing economic behavior is to prevent environmental damage from exploiting resources and disposing of waste into the earth. The UN Department of Economic and Social Affairs supports the modified behaviors in production and consumption enacted by a circular economy is a champion for sustainable development which addresses the 3 pillars of sustainability.¹⁴

Although there are limited examples of circular economies in the low- and middle-income markets, where GFW’s programs are currently located, there are however promising results in the few that do exist. In India, for example, Goonj, a textile company, reused cloth by mobilizing impoverished women to repurpose waste cloth into 3 million feminine hygiene products.¹⁵ This increased the employment rate of women in the village by economically empowering them through skill development and access to a new income-generating opportunity. Consequently, it prevented the disposal of cloth by reusing and adding value to it once again. This demonstrates how circular economies invoke better product design and circulation of unused materials between businesses. At a small-scale level, material costs would decrease while business profits increase, and at a country-wide level boosting GDP. According to the Ellen MacArthur Foundation, if India were to implement a circular economy, it would create an annual value of 14 lakh crore (US\$ 218 billion) which is roughly 11% of India’s GDP.¹⁶ Reducing the waste of materials when able, allows for less waste production and more potential economic opportunities for people to become unlocked. Similarly, GFW’s participants would be able to help contribute to each other's businesses by providing their unused and discarded materials to another business to be repurposed.

The Widows’ Savings and Loan Association (WISALA) program is GFW’s innovative and catalytic micro-finance intervention that was inspired by traditional rotating savings and credit

¹³ UN News, “Turning to Sustainable Global Business: 5 Things to Know about the Circular Economy | | UN News,” Turning to sustainable global business: 5 things to know about the circular economy (United Nations, June 13, 2021), <https://news.un.org/en/story/2021/06/1093802>.

¹⁴ Andrew Allimadi, Hanyang Ge, and Wenyan Yang, “The Circular Economy, Cooperatives and the Social and Solidarity Economy | Cooperatives,” United Nations (United Nations, August 2, 2021), <https://www.un.org/development/desa/cooperatives/2021/08/02/the-circular-economy-cooperatives-and-the-social-and-solidarity-economy/>.

¹⁵ Sandeep Goyal, Mark Esposito, and Amit Kapoor, “Circular Economy Business Models in ... - Wiley Online Library,” Circular economy business models in developing economies: Lessons from India on reduce, recycle, and reuse paradigms (Thunderbird International Business Review, December 8, 2016), <https://onlinelibrary.wiley.com/doi/10.1002/tie.21883>, Pg. 729-740.

¹⁶ Andrew Morlet et al., “Circular Economy in India: Rethinking Growth for Long-Term Prosperity: Shared by Business,” Circular Economy in India: Rethinking growth for long-term prosperity | Shared by Business (Ellen MacArthur Foundation, December 5, 2016), <https://emf.thirdlight.com/link/s0nl5u7tqsdr-ke3ly4/@/preview/1>, Pg. 11.

associations.¹⁷ The WISALAs provide an immediate capital boost so its participants can launch microenterprises and are structured in a way that encourages continuous circulation of money to grow and enhance their businesses. By modifying the WISALA program design and encouraging the widows' businesses to be economically circular, our participants would be able to decrease material costs while increasing profits to then buy more shares in the WISALA bank, adding to their overall wealth accumulation.

GFW's WISALAs in Egypt have seen a glimpse of the benefits a circular model can offer through the Amal Project, a duck value chain program. A group works together in selling goods and services along the duck preparation process. Each widow operates a business specialized at a particular stage in the duck production. At a small-scale level, the material costs of each widow for preparing the duck would decrease by no longer purchasing all materials required at every production stage. While business profits increase at a countrywide level circular economies can boost GDP. Not only would GFW's program enable a sustainable increase in profits for widows and the local economy across its future projects, but they can also positively contribute to the overall improvement of SDG 8 indicators, as the circular economic model's cost-effectiveness promotes economic growth and job creation, among others. With increased profitability, widows would have more economic opportunities and flexibility to support themselves, simultaneously addressing the goals of SDG 5.

GFW's WISALA program is founded on a core belief that widows should rely on their agency and knowledge of their community's needs to decide what type of businesses they want to establish. While GFW takes the steps to implement a circular economic model into their WISALA program it is important to maintain respect for their autonomy and ingenuity and aims to create partnerships that would allow our participants to have the opportunity to be leaders in green and blue jobs that utilize the traditional and local knowledge of their environment and meet the needs of their locality. When implementing circularity into the widows' business model during the pre-launch period, partners and experts in sustainability and green jobs will be needed to help map out and coordinate the flow of waste and excess materials to ensure that it remains circular while respecting the widows' right to choose their business.

Links To Building Community

Successfully implementing sustainable systems such as circular economies into businesses requires the internal conditions to be supportive and socially sustainable as well.¹⁸ The social environment, just like the natural and economic environment, needs to be cooperative with a sense of community solidarity. The widows under GFW's programs are committed to the WISALA because they all share goals of financial empowerment and a desire for community when joining. According

¹⁷ Locally these groups may be known as village savings and loan associations (VSLA), saccos, susus, gam'eyas, etc.

¹⁸ Mechthild Donner, Romane Gohier, and Hugo de Vries, "A New Circular Business Model Typology for Creating Value from Agro-Waste," *Science of The Total Environment* (Elsevier, February 1, 2020), <https://www.sciencedirect.com/science/article/pii/S0048969720305751>.

to the GFW Kenya baseline survey, 100% of widows entering the program noted they hoped for friendship and community.¹⁹ From the Baseline Survey to the Post-Intervention Survey, there was an increase in the widows' feeling of community, voice, and respect of 38%, 62%, and 74%, respectively.²⁰ This demonstrates how the WISALAs have successfully built a socially inclusive environment into our programming, which we hope to see continued after the conclusion of the official project period. The women's commitment to the program, and to each other, sets up the necessary conditions for sustainable systems such as circular economies to have longevity because it is being set up in a socially sustainable environment. By shifting from linear economic practices to circular economies which require cooperation and collaboration, we expect the empowerment and participation in public life amongst widows to grow stronger, addressing SDG 5.

Anticipated Benefits of Implementing a Circular Economic Model into Our Programming

Data on circular economies are most easily found in the higher-income countries rather than in the lower to middle-income countries where GFW primarily operates its programs. This leaves a gap in the literature that GFW can help fill by implementing circular economies into the WISALAs. As an economic development organization, encouraging linear economies into business practices of our participants perpetuates unsustainable economic practices and is a practice we aim to move away from as we contribute to the progress on the 2030 Agenda. As our widows' businesses begin to grow in the local economy, our goal is that the widows' businesses do not perpetuate the "cradle-to-grave" consumption and production practices thereby hurting the environment and pushing us further away from achieving SDGs 5, 8, and 13. To ensure that the participants engage in sustainable practices even after the WISALA dissolves after 5 years, GFW's programming model should include promoting and creating circular economies among its participants and their communities. At the empowerment stage, the circular business model training will allow women to not only increase profit and strengthen their sense of community but also have an active role in keeping their environment healthy. The applied knowledge from a circular business model will widen their sense of self-agency in economic opportunities newly equipped green and creative business management skills in a world of climate change which requires resilience and flexibility in the daily operations of businesses.²¹ The long-term goal of GFW is from the initial economic inclusion and training to increase widows' participation in public life and promote gender equality. Studies of women's empowerment through upcycling and circular economy training in Jakarta have shown women's increased participation in drafting their village's waste management policy. A similar outcome in which our widows spearhead sustainability initiatives in their local areas from the empowerment they receive from the WISALA circular business model training would be one successful outcome accompanying an emphasis on green and circular economies.

¹⁹ Data From the Global Fund for Widows Kenya Baseline Survey is internal information and has not been published yet.

²⁰ Data From the Global Fund for Widows Kenya Baseline Survey is internal information and has not been published yet.

²¹ Patrick Schroeder et al., *The Circular Economy and the Global South Sustainable Lifestyles and Green Industrial Development* (London: Routledge, Taylor & Francis Group, 2019), Pg. 84.

Conclusion

As we are running out of time for achieving the SDGs by its target date of 2030, it is important that GFW and other development organizations, as well as the UN, public, and private sectors consider how program designs address all three pillars of sustainability. The linear economic model encourages high production and consumption that pollutes the environment. As we collectively reconsider the negative effects of our unsustainable economic behavior on the earth, perhaps we look towards circular economies as a healthier alternative. Circular economies support eco-friendliness and economic profitability, with the additional benefit of encouraging community building. This sustainability initiative creates an opportunity to include and uplift marginalized women in society. Studies have shown how impoverished women creatively repurposed waste material into new goods to make a profit, support themselves, and expand employment opportunities for other unemployed women in their communities, and with the support of the GFW's strong communities of widows, we can help facilitate sustainable practices that uplift women socially, economically, and environmentally. Integrating circular economies into our program will strengthen women's knowledge of environmentally conscious business practices and enhance their empowerment to creatively run their businesses, collaborate with other widows to strengthen solidarity, accumulate more wealth over time to financially support themselves and their families, and empower them with the knowledge and resources to actively participate sustainability efforts in their communities.

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