

The Economics of U.S. Recycling Markets



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*Abandon hope
all ye who enter here.*

If you have already abandoned hope,
please disregard this notice.

RAW MATERIALS

- ▶ Nothing more, nothing less

COMMODITIES

- ▶ Fluctuating values
- ▶ Inconsistent quality

DEMAND & SUPPLY

▶ Bought, not sold

WE'VE BEEN HERE BEFORE

Six major market drops since 1990

- ▶ Three "normal", three not
- ▶ 1990: Flood of new programs
- ▶ 2008: Worldwide recession & Beijing Olympics
- ▶ 2017: China

CHINA

- ▶ Green fence
- ▶ National Sword
- ▶ Import ban

SPECIFICATIONS

- ▶ ISRI
- ▶ Buyers
- ▶ Country

KEEP CHINA BEAUTIFUL



ARE RECYCLABLES GARBAGE?

▶ It all depends

ARE CURBSIDE RECYCLABLES GARBAGE?

- ▶ It's all in the nose of the beholder

UNKNOWNNS

- ▶ What will be enforced?
- ▶ On what grades?

DON'T ALWAYS EXPECT RATIONAL ECONOMIC BEHAVIOR



WHAT CAN WE DO?

- ▶ Quality
- ▶ Plan for market swings
- ▶ Rethink recycling goals?

OPTIONS

- ▶ Domestic markets
- ▶ Asian markets

CHALLENGING TIMES

- ▶ Recycling will survive
- ▶ Did we learn anything?

Thank You!



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