Cardboard ban is an investment opportunity

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Lincoln’s cardboard ban was a hot topic in 2016, but 2017 has shifted focus to the city’s recycling education contract. Gone is discussion of Mayor Chris Beutler’s failed, revived and ultimately victorious struggle to reform Lincoln’s recycling program. In its place, an air of financial discomfort stagnates over the city’s already troubled budget.

The cardboard ban will take effect April 2018. The recycling education program was drafted in part to support the ban by educating households about recycling drop-off locations and sorting requirements. However, the recycling education contract’s $850,000 cost raised eyebrows, undermining Beutler’s earlier effort.

The recycling education contract’s cost has been reduced to $512,757 over one year, rather than the original three-year term.

Since costs are of such apparent importance, let’s at least have them all out.

The cardboard ban will require households to either sign up for curbside recycling services with their trash haulers or take their cardboard to one of 29 city-run drop-off sites. In February, Nancy Hicks put together an excellent amateur estimate of the cost of this curbside recycling to households, pegging it at $3.2 million per year.

Tack on the cost of the recycling education contract, along with maintenance for the city’s drop-off sites, and Lincoln will be shelling out around $4 million per year for recycling reform.

The cardboard ban’s costs are being viewed as a burden to Lincoln’s economy, but the ban could be the cornerstone to the city’s financial rebound.

The ban is an investment into Lincoln’s future, and investments are judged by their returns. So what does Lincoln stand to gain from the cardboard ban?

Generally, recycling resources also recycles their value. Most recyclables can’t be reused indefinitely, but trashing them prematurely is like throwing away money.

Also consider why Beutler compromised down to cardboard from a broader paper ban.

Cardboard makes a good target for two reasons. First, there is reliable demand for it in the recycling industry, and it’s easy to spot and sort from other recyclables. Second, banning cardboard will help Lincoln meet its goal of reducing landfill-bound refuse 10 percent per capita through 2018, according to the 2040 Solid Waste Plan. The same plan sets goals of 20 and 30 percent reductions by 2025 and 2040, respectively.
If the city’s expanded recycling centers can keep up with the new influx of materials, its juvenile recycling industry is bound to grow. Reaching out to businesses to secure markets for recycled materials could result in unprecedented profits. Just imagine the impact of a cardboard agreement with Amazon, whose boxes greatly contribute to Lincoln’s cardboard supply.

Part of the cardboard ban’s original purpose was to postpone filling up and expanding Lincoln’s landfill system. According to Donna Garden, assistant director of Public Works and Utilities, closing the Bluff Road landfill and opening a new one will cost about $26 million.

It would take less than seven years for the cost of the cardboard ban to exceed that of switching landfill sites, according to our conservative estimate of the ban’s costs. Factor out landfill-bound cardboard, courtesy of the incoming ban, and we still have less than a decade.

However, we’re talking about a long-term investment, so we can’t limit our scope to the near future. While the costs of the ban will outweigh the cost of switching to a new landfill within a decade, future landfills will fill progressively slower as Lincoln’s recycling program continues to grow and expand, resulting in more savings as time goes on.

Furthermore, the U.S. recycling industry employs millions of workers. An expanded recycling industry means more local jobs, which tend to come with attractive benefits. It also offers cheap material alternatives for opportunistic entrepreneurs, paving the way for new local businesses and a stronger local economy.

And let’s not forget the impact Lincoln has on Nebraska’s other industrious communities. If these recycling policies work for our city, nearby towns are bound to notice, and may try to emulate our success. Establishing a state-wide network of cheap materials can only further support Lincoln’s economy.

While these benefits are not as concrete as some of the costs, Lincoln could at least recoup the costs if it treats the cardboard ban as an investment and seriously pursues its options. Make no mistake that the ban presents an opportunity to make this city a shining example of modern, sustainable living.
References


