

CIRCULAR *regeneration*

As a private non-profit entity, Fundació Impulsa Balears is dedicated to facilitating the decision-making of regional actors and contributing to the global promotion of the Balearic Islands.

Antoni Riera Font
TECHNICAL DIRECTOR,
FUNDACIÓ IMPULSA BALEARIS



What projects or initiatives has Fundació Impulsa Balears launched to promote the economic development of Mallorca?

We have focused on fostering positive leadership to accelerate transitions, particularly in the digital, energy, demographic, and ecological spheres. The circular transition is a strategic challenge that requires strong governance and intelligence. Therefore, we have outlined a regional vision that points to a regenerative future by 2050. To this end, we have made new strategic knowledge available to companies and administrations as a “baseline assessment” to identify the main gaps and challenges to be faced and introduced a “monitoring system” to give direction and speed to circulating transition. The circular economy is not just a word for us; it is a committed path towards tangible transition. Adopting the principles of the circular economy allows the Balearic Islands to significantly advance its current tourism model, which recognizes its adverse social and environmental impacts. Globally, adopting circular economy principles is imperative to operate with a broader and more regenerative capacity. We have proposed to consolidate tourism leadership of Balearic Islands by introducing legislative changes, such as the Circular Economy Law, and promote good circular practices among enterprises.

Although all economic sectors are considered important and strategic, which ones would Fundació Impulsa Balears highlight?

In the new circular paradigm, the importance of a sector is not determined solely by its capacity to create wealth or em-

ployment, but by its efficiency in the use of resources and materials. All economic activities can—and should—contribute. Only in this way will the Balearic Islands be able to grow in value and abandon growth by volume. We must reject, once and for all, the conventional and reductionist perspective that focuses on the tourism market as a measurement of volumes in order to move toward a holistic vision of the tourism system and continuous monitoring of economic, social, and environmental value that the Balearic Islands are capable of creating.

What is your assessment of the evolution of the economy for the coming years?

After the pandemic, the focus of companies and administrations was on recovering the GDP levels of 2019, a milestone reached in 2023. Our attention now shifts to more ambitious objectives: recovering levels of well-being. It is not only about recovering the GDP per capita of 2019, but rather what the Balearic Islands had in 2000. Over the last 20 years, the Balearic economy, despite having grown above the Spanish and European average (1.6% annually), has eroded its level of well-being year after year (-0.4% annually). It is time, therefore, to focus on well-being. It cannot be ignored that the Balearic Islands have progressively lost positions in the regional ranking of per capita income of the EU-27 over the last two decades, going from position 46 in 2001, to 95 in 2019, and 110 in the year 2022.

How does tourism affect the island and how does Fundació Impulsa Balears measure its impact?

We must consciously consider the social and environmental ramifications of economic and tourism activities; ignoring them is not an option. There is a serious risk of entering into a dynamic of irreversible processes, which could put economic activity itself at risk. As the limits of carrying capacity are reached, it is imperative to take bold decisions to safeguard the viability of the economic activities that generate such impact. To effectively address these effects, a productivity “revolution” needs to be carried out. There is no other way to ensure long-term growth, sustainably improve wages, working conditions and living standards, and decouple economic growth from intensive consumption of materials and resources. We are in this process. ✖

BIO

Antoni Riera Font currently serves as technical director of Fundació Impulsa Balears and professor of applied economics at the University of the Balearic Islands. Much of his academic career has been linked to the Research Group on Economic Analysis of the Impacts of Tourism (AEIT) and the Centre de Recerca Econòmica (CRE), from where he has directed several publications and developed contracts and research projects financed with European, state, or regional funds in the field of environmental economics and regional economics. He is the author of more than 50 articles published in internationally renowned journals. He has also received several awards and is currently a member of multiple entities and editorial boards.