Very Short Introduction to Positional Analysis

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Positional analysis can be considered as an alternative to cost-benefit analysis.

From a sustainability science perspective (Dedeurwaerdere 2014) and circular economy education (Kopnina 2018), an alternative to cost-benefit analysis is worth exploring. The opposition between cost-benefit analysis and positional analysis is parallel to that of environmental economics and ecological economics or sustainability. The cost-benefit analysis is neoclassical and considers the environmental problem to be any one where microeconomic analysis can be applied regardless of context. Positional analysis, developed by Peter Soderbaum (1982, 1987, 1990 and Brown, Soderbaum and Dereniowska 2017), has a similar origin to ecological economics, namely in system theory and ecology.

It is only here that you touch the fundamentals. First, positional analysis is based on a systemic approach, that of system theory. From this feature, a study of the impacts of a decision in terms of system in which several elements are interconnected. It is not enough to consider the final value of the cost or benefit, but how it was arrived at, and what are the critical elements.
Secondly, it is an institutionalist or institutional economics approach that takes into account the context, namely of the institutions, the political system, cultural values, etc. It approaches the perspective of economic sociology that considers markets and rational economic decisions to be influenced by their context, namely institutions such as the legal system, which may determine some parameters of an investment decision for example. This perspective of economic sociology is that of the "insertion" of markets into the societies (embeddedness) in which they find themselves. In general terms, we can refer to this as the essentiality of context in an economic analysis of environmental and ecosystem impact.
Thirdly, any scientist analyzes a problem from a perspective, and in particular from certain interests. It is important to keep in mind that some cost-benefit analysis studies, while providing a quantitative answer, may reflect the interests of individuals or groups of people or organizations. Here comes the role of values and interests and the issue of difficult neutrality. In fact, studies address an

environmental problem always from a certain perspective. It should be as objective and reasoned as possible, but never avoiding choices in terms of approaches and hypotheses.

Positional analysis can but does not always integrate monetary values. For example, it is always possible to consider quantitative data such as impact on ecosystems (in terms of diversity, affected populations, etc.) without reducing the analysis to a monetary value.

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