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Malthus in Smith clothing: The Dasgupta Review

Commissioned by the UK Treasury Department and released to much fanfare in February 2021, the *The Dasgupta Review* is the latest (and, at 21 chapters and 600+ pages, longest) in a series of similar reports endeavouring to demonstrate the economic importance of *in situ* natural resources in order to motivate their sustainable management. This tradition stretches back at least to the 2005 Millennium Ecosystem Assessment, then traces froward through United Nations Environment Programme's (UNEP) *The economics of ecosystems and biodiversity* (TEEB) and *Green economy* initiatives, the World Business Council for Sustainable Development's (WBCSD) *Vision 2020* report, the Capitals Coalition's *Natural Capital Protocol*, and on to other more recent initiatives like the 2020 *Financing nature* report from The Nature Conservancy (TCN) and the Paulson Institute, among many others.

Following on this august legacy, the *The Dasgupta Review* reiterates a series of well-rehearsed arguments to make its case for the importance of biodiversity to economics and policymaking. Natural resources, it asserts, have been unsustainably managed in the past due in substantial part to the fact that they have not been incorporated into economic decision-making; hence the ecological impacts of economic activity have been largely overlooked in the headlong rush for human development. Consequently, the *Review* explains, conventional economics has driven a "wedge between the prices we pay for Nature's goods and services and their social worth", with the discrepancy between the two values obfuscated in the form of "what economists call 'externalities'" (p. 6).

This wedge, the *Review* asserts, is due largely to the fact that "three pervasive features – *mobility, silence* and *invisibility* – make it impossible for markets to record adequately the use we make of Nature's goods and services" (p. 31, emphasis in original). Properly valuing resources' contribution to human livelihoods via new methodologies developed by ecologically-minded economists will thus facilitate their incorporation into decision-making processes and hence planning for their optimal allocation by both governments and private firms. "[I]n order to judge whether the path of economic development we choose to follow is sustainable", the *Review* therefore concludes, "...nations need to adopt a system of economic accounts that records an inclusive measure of their wealth", namely one "that includes Nature as an asset" (p. 5).

So far, so familiar. In building on its plentiful predecessors in this way, the *Review* further intensifies a characteristically neoliberal approach to conceptualizing human-nonhuman relations emphasizing the latter's instrumental exchange value. The approach has already been thoroughly critiqued by an extensive body of research and analysis (see e.g. Büscher and Fletcher 2020).

Dasgupta's logic becomes far more circumspect, however, when it comes to explaining how we got into this mess in the first place, and how we can act now to get out of it now that we possess the requisite knowledge. In terms of solutions, the Review introduces and endorses an extensive grab bag of tools to facilitate sustainable resource management, including use of protected areas (PAs), ecological restoration, and so-called marketbased instruments (MBIs) such as ecotourism, payment for ecosystem services (PES) and the REDD+ (Reduced Emissions from avoided Deforestation and land Degradation) mechanism. It also advocates action by multiple actors at every level in "polycentric" fashion, asserting that correction of our present course

...requires not only national and intergovernmental engagement, but engagement by communities and civil societies throughout the world. The economics we construct here is neither entirely top-down nor entirely bottom up; it is also lateral. It advocates institutions that encourage information and directives to flow in every direction. (p. 33)

Within this promiscuous and seemingly democratic embrace, however, the *Review* returns time and again to one particular issue to which it attributes much of our current resource "overshoot": human population growth. In so doing, it builds upon another venerable tradition within discussions of both development and environmental politics, fingering "overpopulation" as a main cause of the problems we confront (see Fletcher *et al.* 2014 for an overview of this history). Yet its treatment of this issue is deceptively ambiguous. On the one hand, the *Review* is at pains to distance itself from a troublesome Malthusian legacy. "There is a risk", Dasgupta admits, "that *any* study of the overshoot in the global demand for the biosphere's goods and services that includes population as a factor is read as a Malthusian tract. But that would be to misread the Review entirely" (p. 33, emphasis in original). Like Thomas Homer-Dixon (pioneer of the popular environmental security perspective) before him, however, such explicit disavowal belies the reality that Dasgupta "places much more weight on population growth than he is prepared to admit" (Peluso and Watts 2003: 95).

The overpopulation scapegoat

In countering a Malthusian reading of his text, Dasgupta defines his aim as instead "to explain how individual and group actions over the years have led globally to" our current environmental predicament (p. 33). To develop this explanation, the opening Chapter 0, "How we got to where we are", begins with a very brief history of everything, outlining the origin of life on Earth before describing humans' emergence as a distinct species. "As our human numbers grew", the *Review* then explains in its first mention of ecological consequences, "our impact on the planet increased with them" (p. 22).

The first reference to Malthus comes soon after, with Dasgupta relating that "Rev. Thomas Malthus postulated that population size and the standard of living had kept each other in check throughout history in what we would today call a low-level equilibrium" (p. 25). Outlining the well-established rebuttal to this thesis demonstrating that technological advance has facilitated intensified resource use allowing carrying capacity to expand to accommodate population growth far beyond this minimum threshold, Dasgupta then counters this counter by turning to Jared Diamond, whose own allegiance to Malthus is explicit (his chapter in *Collapse* on the Rwandan genocide is titled "Malthus in Africa" [Diamond 2005]). Referencing this same text, Dasgupta cites Diamond as having identified:

...a common pattern in past collapses: population growth that followed access to an abundant ecosystem made people intensify the means of food production (irrigation, terracing, double-cropping) and expand into marginal land. Growing populations led to a mining of their ecosystems. That left communities vulnerable to climatic variations, as there was little room left for either mistakes or bad luck. (p. 29)

As human population and resource use increased in concert over time, the *Review* explains, it reached a point where "the excess of impact (*I*) over the biosphere's regenerative rate (*G*)" became evident (p. 32). Echoing the ubiquitous I=PAT equation, the Review describes this outcome as one of "Impact Inequality", in terms of which "*I* is in turn decomposed into three factors: human population numbers, global GDP per person, and the efficiency with which we convert the biosphere's goods and services into GDP" (p. 32-33). (Here again, ambiguously, the *Review* acknowledges and warns against the potential "that the Impact Inequality and the decomposition of the impact we have chosen to work with will be read as a piece of Malthusian arithmetic" [p. 33]).

Further on, the Review introduces another infamous proponent of population control, Garrett Hardin, and his controversial "Tragedy of the Commons" thesis (1968) (which, contrary to its popular framing, was actually about global population growth rather than the pastoral overgrazing it employed as a metaphor). While acknowledging that subsequent research has countered Hardin's pessimistic predictions by documenting numerous examples wherein sustainable resource management seems to have been achieved by so-called common property regimes (CPRs), the *Review* goes on to claim that many of these examples have in fact not been sustainable, and that a main reason "CPRs have deteriorated in many places is rapid population growth" (p. 212).

In focusing on family planning as an instrument of environmental management in a subsequent chapter, Dasgupta reemphasizes that "[e]xpanding human numbers have had significant implications on our global footprint, and the global population is only expected to continue to rise" (p. 491). Notwithstanding this reality, however, "[t]he SDGs [Sustainable Development Goals] are reticent about family planning, and yet it is hard to imagine that they can be met without addressing the subject" (p. 237). Likewise, the *Review* points out that researchers "have sketched scenarios of lower global population growth that lead to reductions in greenhouse gas emissions by 16-29%. And yet, the Paris Agreement of December 2015 on climate change made no mention of population" (footnote #283 p. 238).

All in all, then, the Review asserts:

We should therefore ask whether the biosphere could support on a sustainable basis a global population of between 9.4 and 12.7 billion, which is the error bar round the UN Population Division's population median projection of 10.9 billion for year 2100 (UNPD, 2019b) at the material standard of living we are encouraged to seek. In effect we are asked in contemporary growth and development economics and the economics of climate change to imagine that the population numbers being projected today will be able to enjoy, at the very least, the current global living standard, even while making smaller demands on the biosphere than we do currently. (p. 32)

Our present situation, Dasgupta consequently claims, is "analogous to each of a crowd of people trying to keep balance on a hanging bridge, with a risk of bringing it crashing down" (p. 33).

This persistent if piecemeal overshoot narrative combines to conjure a "...demographic presence that vastly exaggerates the causal significance of population in" resource degradation (Peluso and Watts 2003: 93), as copious social science research has sought to explain (see again Fletcher *et al.* 2014 for an overview). Of course, as previously noted, population growth and control are certainly not the only issues addressed in the extensive *Review*. But it is the only thing to which its author returns with such consistency throughout. It is emphasized far more, for instance, than the MBIs (Market Based Instruments) that feature centrally in most other reports in this tradition.

There is a good reason for this emphasis. As we have discussed elsewhere, the interrelation between social inequality and ecological destruction can be explained in one of two ways: as a function of human population growth creating resource scarcity; or as a product of a capitalist economic system demanding unsustainable resource use to facilitate economic growth that has little to do with satiating the needs of the human collective, but rather with enriching a select few at the expense of the rest – as well as at the expense of the planet as a whole (Fletcher *et al.* 2014). While the *Review* frequent insists that all "people do not experience increasing resource scarcity in the same way" (p. 5), nowhere does it explore people's differential contribution *to* this outcome, for instance, in recent research demonstrating the vastly outsized greenhouse gas emissions produced by the lifestyles of billionaires (Wilk and Barros 2021). Like its famous I=PAT predecessor (Durham 1995), Dasgupta's impact Inequality Indicator in fact achieves the opposite, homogenizing the global population and its impacts and hence neglecting to differentiate among those produced by different people in vastly divergent circumstances.

Naturalizing capital

This inattention to political economic structures and the inequality they produce is partly a function of the way that capitalism is naturalized throughout the *Review*, such that it effectively becomes the background reality unpinning, and hence unquestionable within, the framework of analysis. This builds on yet another long discursive tradition stretching back to Adam Smith's famous characterization of capitalism as an expression of humans' ostensible natural "propensity to truck, barter, and exchange" (see Graeber 2011). Similarly, the *Review* asserts that "[w]hether as farmers or fishermen, hunters or gatherers, foresters or miners, households or companies, governments or communities...[w]e are all asset managers" (p. 35). Consequently, all of our resource use decisions can all be understood as "responding to an asset management problem" (p. 36). From this perspective, "the economics of biodiversity" naturally "becomes a study in portfolio management" (p. 4).

Indeed, on this same basis the *Review* asserts that it is in fact "[1]ow market prices for Nature's goods and services" that "has encouraged us to regard ourselves as being external to Nature" (p. 31) in the first place! Consequently, "To detach Nature from economic reasoning is to imply that we consider ourselves to be external to Nature" (p. 496) (as if [neoliberal] economics were the only lens through which humans could conceivably connect with nonhumans).

But the *Review* goes far beyond Smith to maintain that capitalist logic is ascribed not only within human consciousness, but within the biophysical world too. Following on the long tradition of similar reports to frame nature as a repository of "natural capital" delivering "ecosystem services" to humans, the *Review* explicitly defines "Nature" as a particular "class of assets" (p. 35) and thus directly equates it with "the many other assets we hold in our portfolios, such as the vehicles we use for transport, the homes in which we live, and the machines and equipment that furnish our offices and factories" (p. 4). Within this frame, the *Review* is able to go so far as to claim that "Nature has features that differ subtly from produced capital goods" (p. 6) – as if the latter were primary and the former derivative, rather than vice versa.

Indeed, far from problematizing the inequality and resource degradation produced by politicaleconomic forces, the *Review* actually works to explicitly counter such a focus on differential impacts and their perpetrators, instead asserting:

Just who is responsible for a particular harm is often neither observable nor verifiable. No social mechanism can meet this problem in its entirety, meaning that no institution can be devised to enforce socially responsible conduct...It would seem then that, ultimately, we each have to serve as judge and jury for our own actions. (p. 6)

As a result of this emphasis on individual fault and accountability, most of the *Review*'s prescriptions for corrective action remain individually-focused as well (yet another grand tradition in environmental politics; see Maniates 2001). This is true of its advocacy of family planning, of course, but also of its curious endorsement of environmental education as a main policy instrument in the *Review*'s final pages. Here, Dasgupta explains:

Neither the rule of law nor the dictates of social norms are sufficient to make us account for Nature in our daily practices. Institutional rules, no matter how well designed, would be insufficient for eliminating environmental externalities. We will have to rely also on *self-enforcement*, that is, be our own judge and jury. And that cannot happen unless we create an environment in which, from an early age, we are able to connect with Nature. (p. 496, emphasis in original)

In this way, paradoxically, the *Review* concludes by contradicting its own endorsement of economic valuation as necessary for effective action, in asserting that such action in fact "cannot happen unless we develop an affection for Nature and its processes" (p. 6). Yet critics have long warned that such "intrinsic" affection for nonhuman nature may in fact be "crowded out" by the very sort of "extrinsic" motivation via instrumental valuation that the *Review* promotes in preceding chapters (see Rode *et al.* 2015).

Conclusion

An entirely different approach to the issues the *Review* aims to address, but one so far outside its periphery that it is beyond discussion therein, is advocated by Peluso and Watts in their critique of Homer-Dixon:

[R]ather than presuming or starting with scarcity (or abundance), analysis...should begin with the precise and changing relations between political economy and mechanisms of access, control, and struggle over environmental resources. Scarcity and abundance are historically (and

environmentally) produced expressions of such relations, and as such should not be the starting point of an analysis. (2003: 93)

Let us hope that *The Dasgupta Review* does not end up distracting too much from this other analysis that remains so desperately needed.

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