



A Green Thumb for the Invisible Hand...

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Why am I Here?

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"I need someone well versed in the art of torture—do you know PowerPoint?"

The \$62,000 Bees

- A coffee farm in Costa Rica is dependent on an ecosystem service:
 - Nearby forest provides home to bees
 - Bees pollinate the coffee plant, increase crop
 - Benefit estimated to be worth US\$62,000 on average (7% of income)
 - Alternative uses (cattle) of forest could only provide US\$ 24,000
- Ecosystem services often overlooked
 - Almost always under-valued



The Ecosystem Services

- Provisioning
 - Food
 - Fiber
 - Genetic resources
 - Biochemicals
 - Fresh Water
- Cultural Services
 - Spiritual and religious values
 - Aesthetic values
 - Recreation and ecotourism



The Ecosystem Services

Regulating Services

- Air quality regulation
- Climate regulation
- Water regulation
- Erosion regulation
- Water purification
- Waste treatment
- Disease regulation
- Pest regulation
- Pollination
- Natural hazard regulation



True Value

Take nature's services for granted

What isn't valued is over-used

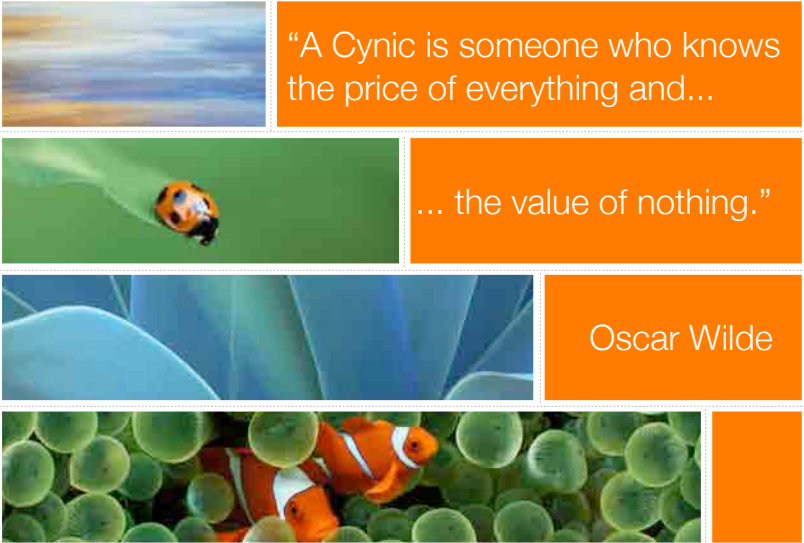
Think what would happen if electricity were free

Then think what would happen to generating companies

That is what is happening to nature



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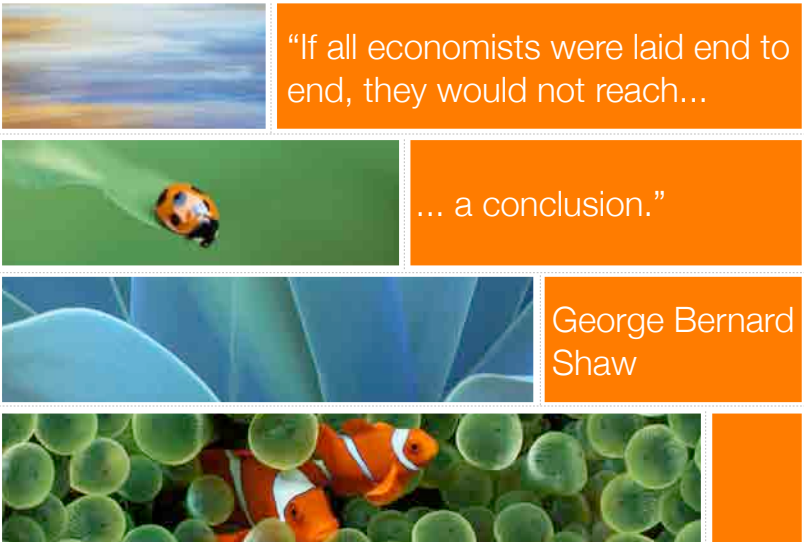


“A Cynic is someone who knows the price of everything and...
... the value of nothing.”
Oscar Wilde

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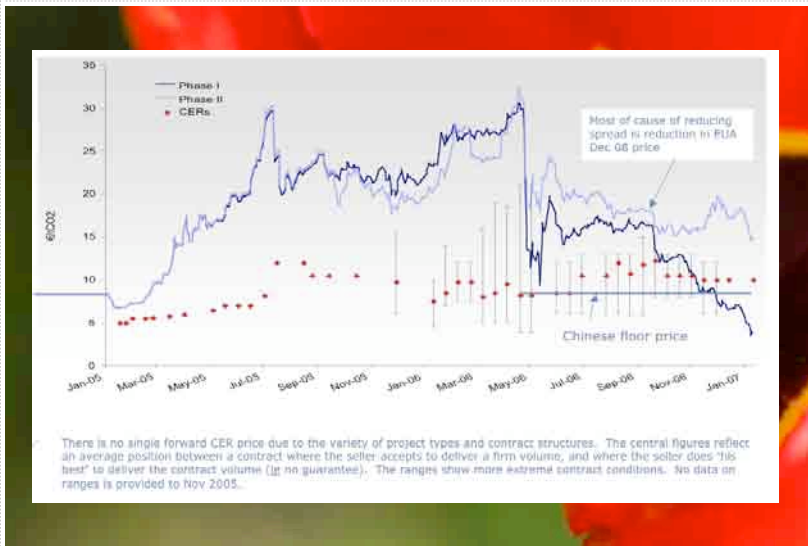
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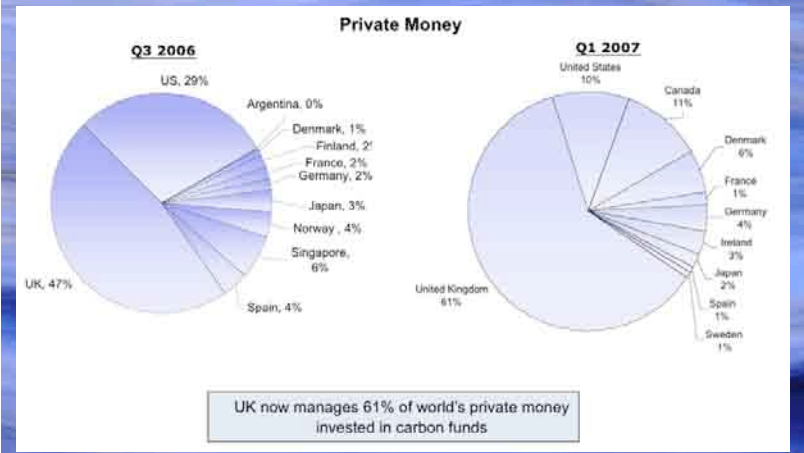
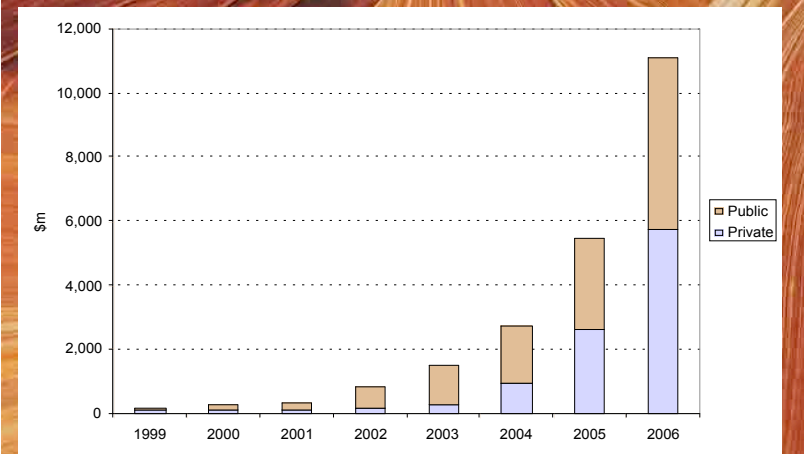


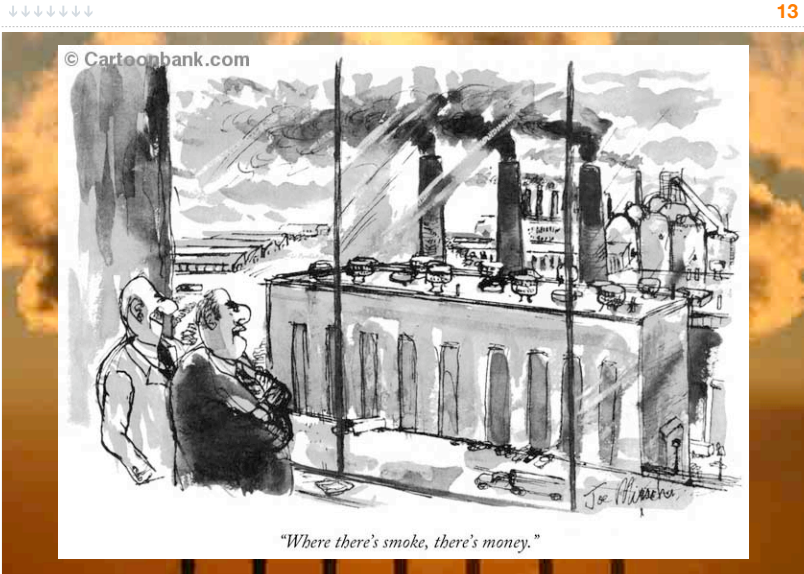
“If all economists were laid end to end, they would not reach...
... a conclusion.”
George Bernard Shaw

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Markets in Biodiversity?

- ❁ Is toughest nut to crack
- ❁ Not easily commoditized
- ❁ Is an "anti-commodity"
- ❁ Besides, what do we mean by Biodiversity?
 - ❁ Ecosystems?
 - ❁ Species?
 - ❁ Genetic diversity?
 - ❁ All of the above



And yet there is movement...



- Wetland & Conservation Banking (US)
- Bio-banking & BushBroker (Australia)
- Voluntary Biod. offsets (Global)
- Gov't payments for biodiversity (Global)
 - Such as Bush Tender & Eco-Tender
 - Program in Mexico, China



Water-related Markets

- Much less developed
- Two possible kinds:
 - Quality
 - Quantity
- Quality likely to come in first
 - i.e. Nutrient trading
 - Science and application easier



A Global Problem...



All is connected...

In the end, we need these markets to protect all ecosystem services on which we depend

But they are interconnected

Protecting biodiversity (e.g. forests) helps reduce emissions

And vice-versa, addressing climate change will help protect biodiversity

Ditto for water resources... all connected



From Hunter to Banker



- Duck hunting club
- Highway and Eminent Domain
- Turn lemons into lemonade
- Bought neighbour's farm
- Sold credits to government
- Is now multi-million \$ co.
- Parthenon capital invests



The \$150,000 Fly



Delhi Sands Flower-loving Fly
 First Fly on Endangered Species list
 Stopping development in San Bernadino County
 Vulcan Materials Bank
 Sold credits for between \$100k and \$150k

Galileo Galilei

“What greater stupidity can be imagined than calling jewels, silver, and gold ‘precious’ and earth and soil ‘base’? People who do this ought to remember that if there were a greater scarcity of soil as of jewels or precious metals, there would not be a prince who would not spend a bushel of diamonds... to have enough soil to plant a jasmine in a little pot, or to sow an orange seed and watch it sprout, grow and produce its handsome leaves, its fragrant flowers, its fine fruit.”

