Paul Collier's New Ethics of Nature and the Green Governance Paradigm
William Heegaard, June 2, 2010

In an article published in last Wednesday's Financial Times, Paul Collier challenges the environmental and economic view that preserving natural resources should be prioritized over using them. He first describes how the romantic environmentalists take the moral high ground in claiming that we have an ethical obligation to keep nature pristine for future generations. He then presents the Stern report on climate change as an example of a utilitarian economic view that argues "if transferring a dollar from you to someone in the 23rd century helps them more than it hurts you, then away it should go." In response to these moral and economic arguments for keeping our forests and oceans pristine, Collier asserts, "our obligation to the future is not to preserve purity but to pass on equivalent value for the natural assets we deplete." As long as we provide future generations with resources (schools, health systems, functioning economies) that equal the value of natural capital we deplete, we should not be hindered from using our natural capital. As he writes, "we are the custodians of value, not the curators of artifacts." With a background in the economics of poverty (his most famous book is "The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It"), Collier seems to be focusing on poor countries, arguing that they should not be discouraged from using their natural resources if that is what will get them out of poverty.

His article in the Financial Times is more or less a brief summary of the argument he presents in his new book: "The Plundered Planet: How to Reconcile Prosperity with Nature." In his book he expands on his proposed "ethics of custody," arguing that "current principles of national ownership… do not provide an adequate framework for managing these [natural] assets" (Alex Renton, The Guardian, May 16, 2010). To solve this problem, Collier recommends that supranational bodies like the UN World Food Programme manage natural resources that lie outside national boundaries (ex. polar oil or fisheries). In an interview, on May 14, Collier discussed how "we could impose a tax point on the docks at the wholesale fish market... That would discourage consumption and you could fine tune the tax according to how threatened the fish is, and generate revenues/rents. These could pay for the UN's World Food Program" (Interview with Matilda Lee, theecologist.org).

Collier's "ethic of custody" seems to resonate with the Green Governance paradigm I encountered in my Natural Resources and Population class this past spring. Collier argues that instead of being obligated to preserve natural resources, we are only obliged to pass on the equivalent value of those resources to the next generation. However, how can we assure that we pass on equal value unless we can put a monetary price on not just the profit gained from exploiting a natural resource, but also the cost for all other stakeholders present? The Millennium Environmental Assessment discusses how "The degradation of ecosystem services represents loss of a capital asset... Yet traditional national accounts do not include measures of resource depletion or of the degradation of these resources" (MEA Summary pg. 9). The Green Governance paradigm, as presented by Costanza and Daly, describes how we might start internalizing the previously uncalculated costs of natural resource depletion into the formal economy. For example, in assessing the capital value of a forest, we must look not only at the profit value that comes from selling the trees as timber, but also the natural capital the forest holds as a carbon sink, erosion prevention system, or area of tourist/aesthetic enjoyment. If we developed metrics for assessing all these currently overlooked values, we then might be able to charge companies for this lost capital,

generating real money that can be reinvested in new resources for future generations, like the hospitals and schools that Collier mentions.