

Environmental Issues in Political Discourse in Britain and Ireland

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Edited by

Gilles Leydier and Alexia Martin

**CAMBRIDGE
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P U B L I S H I N G

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INTRODUCTION

Environmental issues have gained increasing prominence in public affairs in modern societies since the end of the 1960s, leading to the establishment and development of various social movements, NGOs and political parties. The ecology movement became politicized throughout the British Isles in the 1970s, following the rise of new social pressure groups (such as the Women's Movement and various pacifist movements). Yet, despite the increasing expression of concern in political and media debates about issues such as climate change, pollution and threats to biodiversity, "political ecology" (operating at the confluence of scientific developments, political engagement and ethical debates) is still trying to find its bearings.

In Britain, while the Green party has remained conspicuously weak in terms of its electoral results, environmental issues have been progressively assimilated into the speeches and manifestos of the main political parties. Spurred by the example set by New Labour, the Tories and the Liberal Democrats "turned green", vying to show initiative in measures to reduce greenhouse gas emissions (following the Kyoto agreement) in formal manifesto pledges or press releases.

Moreover, questions relating to sustainable development and the management of natural resources now play a key role in the relations between Westminster and various organizations and authorities in Scotland, Wales and Ireland – where local attachment to landscape is a unifying factor and nationalist parties have tended to link issues relating to environmental protection with questions of identity in their actions on both national and European stages. Thus, since the 1990s, nationalists and ecologists have come together and signed election alliances, particularly in relation to the nuclear issue.

In Ireland, the ecologists' winning streak during the 2007 general elections was short-lived as their time in office was curtailed by the worst crisis the country has known since gaining its independence. Despite their resignation from government a few months before the general elections of 2011, the Green Party lost half their voters and their six MPs at the polls.

This volume seeks to examine the political dimension of environmental concerns in the context of the British Isles, notably how these issues have been assimilated by political parties, which issues have been given priority, the scope and nature of the influence of the main

actors, and the role of ecologists. It is a collective work bringing together researchers and academics from a range of disciplines and backgrounds, who offer diverse perspectives on the subject. They aim at analyzing the political response to current environmental issues, revealing some cases of genuine commitment and effective action, and sometimes highlighting discrepancies between statements of intent and election pledges on the one hand, and implemented policies on the other.

The book is divided into six main sections. The first part of the volume clarifies some of the theories and concepts found in contemporary political ecology. To start with, Clare Sibley-Esposito provides an in-depth examination of the concept of ‘natural capital’ – defined in the field of ecological economics as the stock of physical natural assets which provide a range of ‘ecosystem services’, ranging from ‘carbon sequestration’ to the ‘pollination services’ provided by bees. The author shows how this concept has been taken up in recent years in Britain, as part of an international agenda to develop more extensive economic valuation of natural habitats and processes. She starts by showing how the natural environment has come to be seen by certain policy-makers as a ‘service provider’, interconnected to economic systems, following calls by ecological economists for greater attention to be paid to the previously invisible economic values of such environmental factors, as a means of encouraging conservation measures. The concept has been wielded in a number of ways, including as part of attempts to emphasize the shortcomings of GDP as an indicator of national wealth, with plans having been drawn up to work towards taking ‘natural capital’ into account on national balance sheets.

This fully-documented first chapter not only provides useful insights to grasp this concept, but also refers to a number of key British and international studies and policies which testify to widespread statements of intention to adopt ‘natural capital accounting’ on the part of British authorities, both in Westminster and the Devolved Administrations, and also in the private sector. Introduced by the previous government, the idea was highlighted by David Miliband in 2006, then by the coalition government led by David Cameron, in statements clearly acknowledging that economic activity is dependent on natural assets. Despite underlining this relatively broad political consensus, the author does not fail to look into the ideological and methodological issues raised by such monetary valuations of Nature, which Green MP Caroline Lucas assimilates to man’s exploitation of Nature.

In the second chapter (“Gaia: Myth beyond Science, Ethics beyond Politics”), Coralie Raffenne delves into a more controversial concept

which illustrates the ethical dimension of the environmental discourse: the Gaia hypothesis. Associated with the charismatic and provocative chemist James Lovelock and with the deep ecology movement, the originality of this hypothesis rests on its multi-faceted approach, which is scientific, holistic and ethical. While drawing on ancient references and myths (Greek goddess Gaia, Mother Earth...), it is also a scientifically-demonstrated vision of the Earth as a self-regulated system, able to keep its own equilibrium and adapt to change, whatever perturbations might be generated by human interventions.

In the context of political ecology, the author shows how Lovelock's proposition calls for us to reconsider our relationship with the environment, not only in economic terms but also ethically-speaking. Coralie Raffenne also notes the potential for political action derived from Lovelock's theories, with propositions "to put democracy on hold for a while" in states of 'green' emergency (climate change, threats to biodiversity...) or to take global and radical measures. The unclassifiable scientist opposes mainstream environmentalist approaches, which support local and participatory decision-making.

The second part of the volume focuses on discourses on and representations of the environmental issue in the public sphere. To start with Camille Biros questions the identity and legitimacy of these new experts in the communication of organizations in the United Kingdom from the beginning of the years 2000 to the present. After having given a definition of the notion of expertise in the rather young environment field, she demonstrates that the usual criteria used for identifying experts have a limited efficiency in this case, and then explores discourse analysis tools in order to draft characteristics of the environment expert. Her contribution, based on the corpus of Corporate Social Responsibility reports, analyses the status and work of some key players who can be considered as prototypes of the expert in the environment field.

From a different perspective, Pierre-François Peirano addresses the environment debate in post-industrial countries through its representation in the popular television series *Yes, Minister*, broadcast by the BBC in the early 1980s. If the issue of the environment in the British series provides comic relief and is used as a pretext to ridicule politicians, the argument is that its representation is less naïve than it seems and calls for awareness on the part of politicians. And the overwhelming role of the environment in the series accounts for its newly-acquired importance on the political scene.

The third part of the volume concentrates on the present political debate in the United Kingdom. In his contribution, Neil Carter explores

the party politicization of climate and energy policy in Britain over the last decade. After having discussed the environment legacy of the successive New Labour governments, he analyses the dramatic rise of the climate change issue in the domestic political agenda after 2006. He then questions whether the three-party competition around environment issues has contributed to the radicalisation of climate policy over the last years. Eventually, he discusses the sustainability of the new political consensual for progressive climate policy under the present Coalition government.

Hélène Ledouble and Olivier Gourand for their part focus on Prime Ministerial discourse and the way the environment question is tackled. Their corpus includes speeches delivered by Blair, Brown and Cameron during their time in office. Using discourse analysis methodology, they uncover the disparity in the lexical as well as semantic richness of the environmental terms at hand. Their diachronic approach demonstrates the changes in the use of some prominent lexical units of environmental discourse or even the loss thereof over the last years. The reasons that account for these changes are also addressed, and the argumentative stance of the Prime Ministerial speeches is eventually decoded.

From another perspective, Muriel Cassel-Piccot analyses how the British Liberal Democrats have taken up the green cause since the 1970s. By exploring the party's policy proposals and manifesto pledges as well as the evolution of the activists and voters' perception of the environment issue, she assesses the greening of the yellow party from various ways and analyzes to what extent the greening process has been a source of internal cohesion and/or division. She argues that although the party's environmental credentials are undisputable and its reputation for being the greenest of the three main British parties justified, its greening has been relative. The Liberal Democrats have given greater priority to the adjustment of their green shade to the current global economy than to an unprecedented deepening of the hue.

The fourth part of the volume moves to the 'Celtic periphery' of Great Britain in order to explore the environmental issue in the Scottish and Welsh contexts. In her contribution, Stephanie Bory reminds that environmental issues have represented a nationalistic niche in Wales for several decades since questions of identity and the protection of the environment and landscape have been deeply interconnected. And indeed after twelve years of existence the Welsh institutions have had recourse to environmental issues to assert and acknowledge Wales' specificity, or even her superiority, both inside the UK and in Europe. However faced with institutional as well as economic obstacles the National Assembly for Wales has partly failed to turn words into concrete actions and Welsh

people are more and more turning to nongovernmental organisations in order to deliver the green speech.

As far as Scotland is concerned, Fiona Simpkins argues that energy and environment issues have been a contentious problem for several years in the debate opposing London to the Scottish nationalist government. In adopting diverging strategies the SNP government aim at withdrawing Scotland from Westminster's sphere of influence and promote a unique Scottish environmental model refusing nuclear energy and championing renewable energy sources as well as a low carbon economy. Her contribution explores in detail the potential and the credibility of this alternative model for a 'Greener Scotland', and analyses the extent to which environmental concerns serve the nationalists to fuel the Scottish separatist debate.

The fifth part takes us to the other side of the Irish Sea to explore the political response to environmental issues in the context of the most western of the British Isles. In "Ireland after the Boom and Bust", Frank McDonald deplores some of the ill effects of the "Celtic Tiger" on the Republic of Ireland's countryside and urban landscape. Fuelled by lucrative tax incentives, construction output reached unprecedented levels in the early 2000s while prices rose to staggering highs. This chapter starts with an uncompromising examination of the environmental impact of such a housing boom, from the mushrooming of "ghost housing estates" (when the bubble burst in 2008) and ostentatious "McMansions" in rural areas, to the construction of luxury hotels and new roads near historical sites.

The author of *Chaos at the Crossroads* (Gandon editions, 2005) also draws attention to some of the political decisions which have fostered this situation and to the role played by the financial system. To illustrate his point, he shows the failings and intricacies of Dublin's urban planning and bureaucracy, decrying an "incredibly weak" civic governance that led to the approval of several schemes for high-rise and disproportionate buildings, quite foreign to Dublin's skyline and character – most of which were abandoned after the property crash.

Another highly sensitive issue of the last decades in Ireland is certainly the debate about nuclear energy and the controversy over the British nuclear site of Sellafield. Through the study of the Irish political discourse and policies on nuclear energy since the 1970s, Alexia Martin sheds light on the various aspects of the Irish antinuclearism, from a global, European and Anglo-Irish perspective. She shows how, after abandoning the attempt to introduce nuclear power in Ireland, successive Irish governments eventually rallied behind public opinion to oppose the potential impact of the nuclear reprocessing activities in Sellafield. The diplomatic and legal

battle of the 1990s and early 2000s leads the author to examine the deeper identity-based motives of the controversy, in the face of the legacy of colonialism and European homogenization.

Questions relating to Irish identity are also at the heart of Frédéric Armao's research paper, entitled "The Color Green in Ireland: Ecological Mythology and the Recycling of Identity". The author deploys the concept of "ecological mythology" to consider how, beyond the usual association of the Emerald Isle with the colour green, symbolic meanings have been recycled through the ages to suit first religious, then political and marketing ends. This thorough study offers a fresh perspective on aspects of the "Irish green" which we tend to take for granted, from Ireland's lush vegetation that has inspired poets throughout the ages to Saint Patrick, shamrocks and the republican struggle against loyalism. The author not only reveals the historical background of this potent visual representation of the Republic of Ireland (its 'unofficial color'), but also takes stock of the numerous instances and hijacking of this symbol in contemporary political discourse.

Lastly, the sixth part of the volume deals with the salient issue of climate change from two different yet complementary angles. Nicholas Sowers presents a meticulous examination of the Stern Review, a major study of the economic impact of climate change, commissioned by Gordon Brown (then Chancellor of the Exchequer) and published in 2006. He starts by a detailed study of the findings of the Review, its methodological approach and its key recommendations, which highlight the urgent need for intervention both by the UK government and the international community as a whole. He goes on to examine how the Stern Review was received in political and economic spheres – ranging from praise to criticism – and how it was concretely addressed by political leaders, from New Labour to the Conservative-Liberal Democrat coalition. The author demonstrates how the Review "provided additional impetus" to existing policies against climate change, and contributed to placing Britain at the forefront of international moves to set emission reduction targets.

If the Stern Review works on the assumption of the reality of climate change, some scientists have challenged the very legitimacy of the debate or have voiced their disagreement concerning the grounds for identifying a link between global warming and human activities. Scientific controversies provide the starting point for Patrick Menneteau's reflections concerning the issue, ("Global Warming : between Doubts and Certainty") This original in-depth study approaches this crucial debate from a new perspective derived from phenomenology and psychology, showing how subjective experience lies at the root of present-day scientific debate on

climate change, beyond scientific and ideological motives. The methodological and rhetorical tools used by the opposing scientific camps are rigorously assessed, in the light of philosophy and psychology, so as to uncover the modes of conceptualization and the archetypes influencing various types of discourse, leading the author to call for a change of perspective on the issue.

PART I:

**POLITICAL ECOLOGY:
THEORIES AND CONCEPTS**

ACCOUNTING FOR ECOLOGY? THE CONCEPT OF ‘NATURAL CAPITAL’ IN BRITISH POLITICAL DISCOURSE AND POLICY, 1997-2012

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“...the modern industrial system, with all its intellectual sophistication, consumes the very basis on which it has been erected. To use the language of the economist, it lives on irreplaceable capital which it cheerfully treats as income.”

E.F Schumacher, *Small is Beautiful: A study of economics as if people mattered*, 1973¹.

“Natural capital can be defined as the stock of our physical natural assets (such as soil, forests, water and biodiversity) which provide flows of services that benefit people (such as pollinating crops, natural hazard protection, climate regulation or the mental health benefits of a walk in the park). Natural capital is valuable to our economy. Some marketable products such as timber have a financial value that has been known for centuries. In other cases (e.g. the role of bees in pollinating crops), we are only just beginning to understand their financial value.”

English Natural Environment White Paper, *The Natural Choice: Securing the Value of Nature*, 2011².

First wielded in the early 1970s by E.F Schumacher in his famous call to reflection on the potential unsustainability of modern Western modes of consumption, by 2012 the concept of ‘natural capital’ had emerged as a cornerstone of a number of government research studies and policies being developed around the United Kingdom, partly in response to several

¹ Schumacher, E.F, *Small is Beautiful: A study of economics as if people mattered*, London, Blond and Briggs, 1973: 17.

² English Natural Environment White Paper, *The Natural Choice: Securing the Value of Nature*, June 2011: 11.

<http://www.official-documents.gov.uk/document/cm80/8082/8082.pdf>

international projects. Yet, whereas for Schumacher the representation of the natural world as an asset-yielding stock served as a metaphor which involved *borrowing* “the language of the economist”, early twenty-first century Britain has seen attempts to develop the concept of ‘natural capital’ in such a way as to *integrate it into* the current socio-economic paradigm, by enabling financial values to be assigned not only to raw materials but also to a range of ‘ecosystem services’ - from the ‘carbon sequestration’ and ‘flood prevention services’ offered by certain types of fluvial wetland to the ‘pollination services’ provided by bees. In a White Paper focusing on environmental issues, published in June 2011, the Coalition government led by David Cameron announced a “commitment to putting natural capital at the centre of economic thinking”³, along with its intention to set up a Natural Capital Committee and an Ecosystems Markets Task Force. The Welsh Assembly government issued a statement in support of this approach, emphasising that ‘natural capital accounting’ is evoked in the Welsh Natural Environment Framework, set up in 2010⁴. Meanwhile, Scottish Natural Heritage continued to develop its Natural Capital Asset (NCA) index, launched in March 2011 with the assertion that Scotland was “the first country in the world to publish such a detailed attempt to measure annual changes in its natural capital based on an evaluation of ecosystem services”⁵.

This chapter focuses on tracing the main stages in the process by which the concept of ‘natural capital’ came to be mainstreamed in policy circles in the UK by 2012, as part of an international agenda. It goes on to consider the dilemma which the concept may pose to environmentalists, briefly evoking some of the methodological issues raised by attempts to develop the means by which to put a range of habitats and natural processes on both national and corporate balance sheets.

The birth of a concept: the natural environment as ‘service provider’

In May 1997, just as Tony Blair was settling into Downing Street following Labour’s first general election victory in over twenty years, the

³ *Ibid.*

⁴ Welsh Assembly Government Written Statement: *The Natural Environment Framework ‘A Living Wales’*, 15 June 2011.

<http://wales.gov.uk/about/cabinet/cabinetstatements/2011/110615nat/?lang=en>

⁵ Scottish Natural Heritage, *Scotland’s Natural Capital Asset (NCA) Index, 2012 version: 1.*

<http://www.snh.gov.uk/docs/B814140.pdf>

renowned journal *Nature* published a landmark article which was to generate debate in the scientific community for years to come. Entitled ‘The value of the world’s ecosystem services and natural capital’, this controversial paper literally put a price on the economic benefits accrued from global natural resource stocks and ecosystem processes, estimating at the time such ‘natural capital’ and ‘ecosystem services’ to have an annual economic value of \$33 trillion, nearly twice the total sum of the GDPs of the world’s nations⁶. Whilst acknowledging the “conceptual and empirical problems inherent in producing such an estimate”, the authors stressed that they were attempting to provide a synthesis of work undertaken in the emerging field of ecological economics, in order to draw attention to the extent of the dependence of economic systems on environmental factors⁷. By attempting to calculate the “hidden values” associated with seventeen categories of “ecosystem services”, ranging from the regulation of atmospheric gases to “cultural values”, they sought to stimulate more widespread economic assessment of such factors, arguing that:

Because ecosystem services are not fully ‘captured’ in commercial markets or adequately quantified in terms comparable with economic services and manufactured capital, they are often given too little weight in policy decisions.⁸

This argument was debated in scientific circles for several years before gradually being taken up by policy-makers⁹. The publication in 2005 of the findings of the Millennium Ecosystems Assessment (MA), a four-year international study led by the United Nations Environment Programme, is frequently cited as marking a turning point, following which the concept of ‘natural capital accountancy’ began to gain international political currency. The MA found “nearly two thirds of the services provided by nature to humankind [...] to be in decline world-wide”, asserting that “the

⁶ Costanza, R, d’Arge, R, de Groot,R, Farber,S, Grasso,M, Hannon,B, Limburg,K, Naem,S, O’Neill,RV, Paruelo,J, Raskin,RG, Sutton,P, Van den Belt,M: ‘The value of the world’s ecosystem services and natural capital.’ *Nature*, 1997, 387, 253-60. <http://www.nature.com/nature/journal/v387/n6630/full/387253a0.html>
⁷ *Ibid.*, 253.

For a detailed survey of the development of the field of ecological economics, see: Gómez-Baggethun, *et al.*, ‘The history of ecosystem services in economic theory and practice: from early notions to markets and payment schemes’, *Ecological Economics*, 2009. doi:10.1016/j.ecolecon.2009.11.007

⁸ Costanza *et al.*: 253.

⁹ Gómez-Baggethun, *et al.*, ‘The history of ecosystem services in economic theory and practice’.

benefits reaped from our engineering of the planet have been achieved by running down natural capital assets”¹⁰. The study considered the development of techniques for the monetary valuation of ecosystem stocks and processes to be a means to “correct the historical bias that has existed against natural services when it comes to weighing the costs and benefits of particular economic choices - whether for individuals, businesses, or governments.”¹¹ It also contributed to emerging debates about the shortcomings of GDP as an indicator of national wealth, by asserting that in a significant number of cases countries considered in conventional terms to be experiencing economic growth were actually becoming poorer when estimates of the economic costs of loss of their ‘natural capital’ were added to their balance sheets¹².

A perusal of parliamentary and media archives available on the Internet shows up expressions of concern about the depreciation of ‘natural capital’ going back to the late 1990s in the UK¹³, whilst references to the MA occur in numerous documents produced by Defra and its advisory bodies from 2006 onwards¹⁴. However, the possibility of attributing monetary values to a wide range of environmental factors only began to make widespread media headlines following the publication of the UK’s National Ecosystems Assessment (UK NEA), which included qualitative and quantitative evaluations of a range of ‘ecosystem services’¹⁵. Originally commissioned by Gordon Brown’s Labour government in 2009, the UK NEA was presented by the Coalition government in June 2011 as marking “a vital step forward in our ability to understand the true

¹⁰ The Millenium Ecosystem Assessment Board, *Living beyond our means: natural assets and human well-being. Statement from the Board*, 2005: 5.

<http://www.millenniumassessment.org/documents/document.429.aspx.pdf>

¹¹ *Ibid.*, 22.

¹² *Ibid.*

¹³ See, for example, the Second Report of the House of Commons Environmental Audit Committee for the 1997-1998 sessions, which drew on work by Friends of the Earth in calling for a revision of indicators to measure environmental damage and “the depreciation of natural capital”.

<http://www.publications.parliament.uk/pa/cm/199798/cmselect/cmenvaud/517/51702.htm>

¹⁴ See, for example, ‘An Introductory Guide to Valuing Ecosystem Services’ published by the Department for Environment, Food and Rural Affairs in 2007 (Product code: PB12852). <http://archive.defra.gov.uk/environment/policy/natural-environ/documents/eco-valuing.pdf>

¹⁵ *UK National Ecosystem Assessment: Understanding nature’s value to society. Synthesis of key findings*. Cambridge, UNEP-WCMC, 2011.

<http://uknea.unep-wcmc.org/Home/tabid/38/Default.aspx>

value of nature and the how to sustain the benefits it gives us.”¹⁶ In the intervening period, a small number of MPs from all three main political parties were involved in attempting to give greater prominence to the concept of ‘natural capital’, with Barry Gardiner (Lab), Dr Alan Whitehead (Lab), Elliot Morley (Lab), Richard Benyon (Con), Zac Goldsmith (Con) and Dr Evan Harris (LibDems) among those who evoked it in parliamentary debates¹⁷.

Some of the most high profile early attempts to draw attention to the concept were made by David Miliband during his stint as Secretary of State for Environment, Food and Rural Affairs, under Tony Blair’s leadership¹⁸. In a speech to the Fabian Society in December 2006, Miliband suggested that integrating the concept of ‘natural capital’ into party policy constituted a major new challenge for Labour, ten years on from their return to government:

[...]in 1997 we made economic stability and high employment our top priorities, but in 2007, we need a third ambition, to redress the imbalance between the natural resources we consume, and the natural capital we reinvest. A kind of ‘golden rule’ to ensure we do not mortgage the futures of our children in an unsustainable ecological debt. [...] In 1997, we said we wanted to extend the power of choice and voice that exist in the private sector to public services. Today, we need to extend market mechanisms to public goods. We need to put a price on carbon dioxide and use the power of the market to find the lowest cost emissions.¹⁹

Miliband drew on the *Stern Review* to bolster his argument in favour of carbon-trading. Published two months earlier, the Review had brought

¹⁶ Caroline Spelman, Secretary of State for Environment, Food and Rural Affairs from 12 May 2010 to 4 September 2012, quoted in a report by Sarah Morrison in *The Independent*, ‘What Price Nature? Report puts financial value on UK’s ecology’, 2 June 2011. <http://www.independent.co.uk/environment/nature/what-price-nature-report-puts-financial-value-on-uks-ecology-2292043.html>

¹⁷ See, for example, the transcript of the parliamentary debate which took place in Westminster Hall on 30 April 2009, concerning the government’s involvement in the Darwin Initiative.

<http://www.publications.parliament.uk/pa/cm200809/cmhansrd/cm090430/halltext/90430h0001.htm>

¹⁸ David Miliband was Secretary of State for Environment, Food and Rural Affairs from 5 May 2006 to 27 June 2007.

¹⁹ David Miliband, ‘Red-green renewal: the future of new Labour’ in *Social Europe*, Winter 2007, 135.

http://www.social-europe.eu/fileadmin/user_upload/Authors/Miliband_2-3.pdf

economic considerations to the fore in debates about environmental policy, by concluding that the “benefits of strong, early action on climate change outweigh the costs.”²⁰ It had called for the establishment of carbon prices, to be applied in the context of taxation, trading or regulation²¹; Miliband envisaged a mix of such measures as being the way forward to building a “low-carbon” future, with “a new market at its heart: a market for carbon, with the vast majority of the economy covered by carbon trading.”²²

A few months later, speaking at a meeting of the Campaign for the Protection of Rural England, Miliband evoked a wider conception of ‘ecosystem service’ valuation:

[...]we are now beginning to value environment assets that in the past we have thought of as a free good. Carbon is the most obvious example. As well as valuing carbon emissions from fossil fuels, we need to think how we value carbon sinks from forests and peats. But carbon is just one environmental public good. As the Millennium Ecosystems Assessment report sets out, there are range of ecosystem services that regulate the climate, protect us from floods, purify water, and provide aesthetic and recreational value.²³

The concept of ‘natural capital accountancy’ had been gaining momentum behind the scenes in Defra²⁴, and clearly the Secretary of State had been paying close attention to UN-sponsored developments in the field of ecological economics in the lead up to the G8+5 environment ministers’ meeting which was to take place in Potsdam the following week, from 15-17 March 2007.

The international agreement referred to as the ‘Potsdam Initiative’²⁵

²⁰ Nicholas Stern, *The Economics of Climate Change: The Stern Review*, Cambridge, Cambridge University Press, 2007: 191.

²¹ *Ibid.*, 351-366.

²² David Miliband, ‘Red-green renewal: the future of new Labour’: 136.

²³ David Miliband, in ‘A Land Fit for the Future’, a speech made to the Campaign for the Protection of Rural England, London, 9 March 2007; quoted from the transcript of the speech included in the annexes of the Forestry Commission England National Committee Paper (15/07) Director Report, March 2007.

[http://www.forestry.gov.uk/pdf/enc-mar07-paper-15.pdf/\\$file/enc-mar07-paper-15.pdf](http://www.forestry.gov.uk/pdf/enc-mar07-paper-15.pdf/$file/enc-mar07-paper-15.pdf)

²⁴ See ‘An Introductory Guide to Valuing Ecosystem Services’, Defra, 2007.

²⁵ The title given at the time of the meeting was ‘The Potsdam Initiative: Biological Diversity 2010’. The G8+5 Environment and Energy Ministers’ meeting took place in Potsdam, Germany, 15-17 March 2007. The G8+5 refers to the G8 countries (Canada, France, Germany, Italy, Japan, Russia, the United

included a commitment to “examine the concept and viability of payments for ecosystem services” and to “approach the financial sector to effectively integrate biodiversity into its decision making”, backed up by the funding of a global study to “initiate the process of analysing the global economic benefit of biological diversity, the costs of the loss of biodiversity and the failure to take protective measures versus the costs of effective conservation”.²⁶ Entitled ‘The Economics of Ecosystems and Biodiversity Study’ (TEEB), the resulting research programme published its Interim Report in 2008, before presenting its main reports at the tenth Convention on Biodiversity²⁷ conference in Nagoya, Japan, in October 2010. TEEB then entered the currently on-going ‘Implementation Phase’, through which it seeks to work more closely with individual countries and organisations as part of its efforts to mainstream procedures for carrying out economic assessments of ecosystems and biodiversity²⁸.

TEEB’s conclusions in 2010 attributed the rapid loss of global biodiversity in recent years to “the invisibility of many of nature’s services to the economy” resulting in “widespread neglect of natural capital”.²⁹ The study’s authors recommended that valuation techniques be further developed to enable previously unacknowledged input from these ‘ecosystem services’ to be integrated into cost-benefit analyses in all aspects of socio-economic activity, calling for both governments and companies to include such data in national accounts and annual reports³⁰. They asserted that the use of monetary valuations would not automatically cause such ‘natural assets’ to become tradable commodities³¹, but that both private and public stakeholders should share a “common language”³² in order to enable the development of a range of approaches – including reforms of taxation and subsidies - designed to “help recalibrate the faulty economic compass that has led us to decisions that are prejudicial to both current well-being and that of future generations.”³³

Kingdom and the United States) along with Brazil, China, India, Mexico and South Africa.

²⁶ <http://www.g8.utoronto.ca/environment/env070317-potsdam.htm>

²⁷ The tenth Conference of the Parties to the Convention on Biological Diversity (CBD COP 10) took place in Nagoya (Aichi Prefecture), Japan, 18-29 October 2010.

²⁸ <http://www.teebweb.org/about/>

²⁹ *Ibid.*

³⁰ *Ibid.*, 26-27.

³¹ *Ibid.*, 12.

³² *Ibid.*, 24.

³³ *Ibid.*, 3.

The simultaneous growth of interest in the concept of ‘natural capital’ in the private and public sectors

As part of its ambition to encourage widespread adoption of ‘natural capital accounting’, TEEB published separate reports aimed at influencing different levels of public policy in addition to a document destined specifically for the business community. The latter puts forward figures suggesting that by 2010 a number of companies around the globe were beginning to recognise that paying attention to environmental considerations could make economic sense, be it, for example, by avoiding costs associated with cleaning up pollution, by tapping into growing consumer interest in ‘green goods’ or by investing in emerging markets for some of the newly identified ‘ecosystem services’. The report argues that:

[...] companies that understand and manage the risks presented by biodiversity loss and ecosystem decline, that establish operational models that are flexible and resilient to these pressures, and that move quickly to seize business opportunities, are more likely to thrive. Just as climate change has stimulated carbon markets and new business models, biodiversity and ecosystem services also offer opportunities for investors and entrepreneurs. However, there is a need to agree priorities and adopt an agenda for action – by business leaders, accountancy bodies, governments and other stakeholders – otherwise significant change is unlikely.³⁴

In the UK, the emerging interest of parts of the private sector for ‘natural capital accounting’ can be attested by the setting up of a number of at least partly corporate-sponsored initiatives which make reference to TEEB in their documentation, following the publication of the study’s Interim Report in 2008. For example, in a report presented to the House of Commons in the midst of a global financial crisis, The Aldersgate group³⁵ argued that “the natural capital assets that lay the foundations for our economy and society should not be off-balance sheet items similar to the risk exposures and subsequent heavy losses incurred in the banking sector

³⁴ *The Economics of Ecosystems and Biodiversity Report for Business: Executive Summary*, 2010: 13. <http://www.teebweb.org>

³⁵ The Aldersgate group describes itself as “a coalition of private, public and third sector organisations who believe that high environmental standards are essential for long term economic growth and international competitiveness”. The group includes members as diverse as Friends of the Earth, British Telecom, Tesco, United Utilities and the Institution of Civil Engineers. <http://www.aldersgategroup.org>

during the 2008 credit crunch”³⁶. It called for ‘natural capital accounting’ to be used in developing a clearer framework of environmental regulation which, it argued, “would produce significant cost savings and boost competitiveness”³⁷. The Natural Capital Initiative, which describes itself as “a leading UK forum bringing together scientists, policy-makers, business, industry and others”, was launched in 2009³⁸, whilst in September 2010 the University of Cambridge set up a “business-led” Natural Capital research programme, on the basis that “the growing pressures on ecosystem services and natural capital are expected to generate a range of future risks and opportunities for businesses.”³⁹

Meanwhile efforts were being redoubled on the international scene, often partly with UK government financing, to develop methodological tools for ‘natural capital accounting’ in both public and private sector contexts. In 2010, at the Convention on Biological Diversity conference in Nagoya, the World Bank announced the launch of the ‘Wealth Accounting and Valuation for Ecosystem Services’ (WAVES) project - an international partnership, partly funded by the UK, which aims to work with Central Banks and Ministries of Finance and Planning around the globe “to promote sustainable development by ensuring that the national accounts used to measure and plan for economic growth include the value of natural resources”⁴⁰. Meanwhile, the Parliamentarians Forum at the conference endorsed a Natural Capital Action Plan⁴¹, outlining a set of recommendations for ways governments could aim “to mainstream ecosystem valuation into the economic growth model” and move beyond reliance on traditional GDP accounting as a measure of economic well-being.

³⁶ Report by The Aldersgate Group, *Green Foundations 2009*: 4.

http://www.aldersgategroup.org.uk/asset/download/117/green_foundations_2009.pdf

³⁷ *Ibid.*

³⁸ The Natural Capital Initiative (NCI) is a partnership between the Society of Biology, the Centre for Ecology and Hydrology, the British Ecological Society and the James Hutton Institute. The NCI was launched in 2009 at a symposium entitled ‘Valuing Our Life Support Systems’, bringing together 250 representatives from business, academia, non-profit and public organisations.

<http://www.naturalcapitalinitiative.org.uk/about>

³⁹ ‘The Cambridge Natural Capital Programme: Understanding and managing the business risks and opportunities relating to ecosystems and natural capital.’ Report produced by the University of Cambridge Programme for Sustainability Leadership, 2011: 3. <http://www.cpsl.cam.ac.uk>

⁴⁰ <http://www.wavespartnership.org/>

⁴¹ <http://www.globeinternational.org.>

The shared focus of these initiatives on developing economic valuations for an ever-widening range of natural habitats and processes is consistent with the emphasis on ‘natural capital accounting’ promoted by the TEEB study and by elements of the revised Strategic Plan for Biodiversity adopted in Nagoya. Presented in the wake of the announcement that no nation had succeeded in meeting targets to halt biodiversity loss by 2010, in the first of its targets for the 2011-2020 period - known collectively as the Aichi targets - the Strategy evokes the “values” of biodiversity in somewhat general terms; the notion of economic assessment appears more clearly in the second target, which explicitly calls for measures of such “values” to be incorporated into planning strategies and national accounts:

Target 1: By 2020, at the latest, people are aware of the values of biodiversity and the steps they can take to conserve and use it sustainably.

Target 2: By 2020, at the latest, biodiversity values have been integrated into national and local development and poverty reduction strategies and planning processes and are being incorporated into national accounting, as appropriate, and reporting systems.⁴²

The two years following the setting of the Aichi targets saw a proliferation of projects building on this United Nations-led impetus towards exploring possibilities for ‘ecosystem service’ valuation and ‘natural capital accounting’ on various scales around the world. The European Commission revised its biodiversity strategy in terms which demonstrated an unambiguous adherence to this agenda, announcing as part of an action plan published in May 2011 that:

Member States, with the assistance of the Commission, will map and assess the state of ecosystems and their services in their national territory by 2014, assess the economic value of such services, and promote the integration of these values into accounting and reporting systems at EU and national level.⁴³

The conference in Nagoya had also been the setting for the first steps in a process involving the private sector which was to lead to the

⁴² United Nations Environment Programme, *Strategic Plan for Biodiversity 2011-2020 and the Aichi Targets: Living in harmony with nature*. Report produced by the Secretariat of the Convention on Biological Diversity, 2010.

<http://www.cbd.int/doc/strategic-plan/2011-2020/Aichi-Targets-EN.pdf>

⁴³ *The E.U Biodiversity Strategy to 2020*, Luxembourg, Publications Office of the European Union, 2011: 17.

announcement at the Rio+20 Earth Summit⁴⁴ of a commitment by a range of financial institutions from around the globe to “work towards integrating natural capital considerations into [...] financial products and services”⁴⁵. Whilst notoriously few ground-breaking international political agreements were reached in Rio, UK Deputy Prime Minister Nick Clegg sought to represent moves taken during the summit by both corporations and governments towards implementing ‘natural capital accounting’ as marking some of the positive aspects of an otherwise somewhat disappointing outcome:

While the Rio declaration [in the final summit outcome document] was not all that we would have wanted, this is the first time that a multilateral document expressing such strong support for the green economy has been agreed. [...]Rio+20 recognised that we need to develop broader measures of progress to complement GDP in order to take account of the natural assets that will contribute to future prosperity—so-called GDP-plus. [...]at Rio national Governments recognised the importance of working alongside businesses. Thanks in no small part to the leadership of UK firms, Rio recognised the role of corporate sustainability reporting to their shareholders and to prospective investors—something that would have been inconceivable even a year ago.⁴⁶

In the lead-up to the summit, possibly in anticipation of David Cameron’s much-commented absence from its proceedings, Clegg had positioned himself as preparing to “[push] for greater global protections for our natural assets”⁴⁷, whilst the Secretary of State for Environment and Rural Affairs, Caroline Spelman, had asserted that the UK was “taking the lead” in work on natural capital accounting⁴⁸. Both Clegg and Spelman were

⁴⁴ Generally referred to as RIO+20, being held on the 20th anniversary of the 1992 Earth Summit, the United Nations Conference on Sustainable Development was held from 20 – 22 June 2012 in Rio de Janeiro, Brazil.

⁴⁵ ‘The Natural Capital Declaration: A commitment by the financial sector for Rio+20 and beyond’, 2012.

<http://www.naturalcapitaldeclaration.org>.

⁴⁶ Nick Clegg’s statement to the House of Commons following Rio+20, 26 Jun 2012 : Column 161.

<http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm120626/debtext/120626-001.htm#12062679000001>

⁴⁷ Nick Clegg in a speech entitled ‘The myth - green versus growth’ given at the KPMG headquarters in Canary Wharf, London, 11 April 2012.

<http://www.libdems.org.uk/speeches.aspx>

⁴⁸ Caroline Spelman in her address to businesses and charities at London’s Guildhall on the UK aims for Rio+20, on 9 February 2012.

keen to draw attention to certain policy commitments presented in the English Natural Environment White Paper which had been published a year ahead of the Rio conference, in June 2011. These included the announcement of the intention to establish a Natural Capital Committee, to report to the Economic Affairs Committee (chaired by the Chancellor of the Exchequer), which would be involved in taking action “to capture the value of natural capital on the nation’s balance sheet” as part of work towards developing measures of national wealth and well-being beyond traditional GDP indicators⁴⁹.

In seeking to draw attention to the concept of ‘natural capital’ as part of a stated ambition to “show environmental leadership internationally and within the E.U.”⁵⁰, the Coalition government was brandishing a banner which had already been some time in the making, and which owed its existence in part to preparatory work carried out by the previous government and by various international organisations, as we have seen. However, the English Natural Environment White Paper is clear about its debt to studies such as TEEB, drawing on the latter, for example, to bolster the argument that extended conservation measures could be compatible with economic prosperity:

The Economics of Ecosystems and Biodiversity Study shows that protected natural areas can yield returns many times higher than the cost of their protection. There are multi-million pound opportunities available from greener goods and services, and from markets that protect nature’s services.⁵¹

Although the White Paper also announced plans to create new Nature Improvement Areas and outlined measures intended to encourage greater educational and recreational use of green spaces, a considerable number of its innovations were directed at facilitating interactions between government and businesses, on the basis of their “shared interest in protecting natural capital”. Entitled *The Natural Choice: Securing the Value of Nature*, it put forward the government’s intention to experiment with schemes “in which payments are made by the beneficiary of a natural service to the provider of that service” and to set up an Ecosystems Markets Taskforce with a remit to explore the possibilities for the development of ‘ecosystem service’ markets and trade in ‘green goods’. It also announced that the

<http://www.defra.gov.uk/news/2012/02/09/caroline-selman-on-uk-aims-for-rio20/>

⁴⁹ *The Natural Choice: Securing the Value of Nature*: 36.

⁵⁰ *Ibid.*, 5.

⁵¹ *Ibid.*

government would explore possible uses of “biodiversity offsets” in planning policy, by launching voluntary pilot schemes in which property developers could be involved in financing “compensatory habitat expansion or restoration” on other sites as a means of fulfilling the environmental requirements of their planning applications⁵².

The adoption of ‘natural capital’ as a policy concept in the UK Devolved Administrations

With the exceptions of its references to UK national accounting and to international projects, *The Natural Choice* only sets out policies for England – which is unsurprising, given that responsibility for environmental issues in Northern Ireland, Scotland and Wales has largely been transferred to the Devolved Administrations, working within frameworks which include elements of devolved, UK and European legislation. Attempts to develop ‘natural capital accounting’ at the British level will nonetheless call for a high level of interaction between the various administrations as the process unfolds, and the White Paper is conspicuously lacking in reference to the possibilities for such exchange. However, its evidence base draws extensively on the UK National Ecosystems Assessment (the UK NEA), the preparation for which had involved collaboration between Defra, the Scottish Government, the Welsh Assembly Government and the Northern Ireland Executive⁵³. The UK NEA called for the development of more integrated general environmental management but also suggested that, paradoxically, the divergence in approaches around the UK could be a positive factor in moving towards this aim:

[...] the sustainable management of biodiversity, ecosystems and ecosystem services will be made easier by using integrated approaches [...] Broadly, the trends suggest that responses are becoming more integrated and reflective of ecosystem thinking, which suggests that the overall direction of change is positive. Moreover, in an international context, European Union/UK approaches to ecosystem management reflect more

⁵² *Ibid.*, 22.

⁵³ Carried out between mid-2009 and early 2011, The UK National Ecosystems Assessment (NEA) was funded by Defra, the Scottish Government, the Welsh Assembly Government, the Northern Ireland Executive, the Natural Environment Research Council and the Economic and Social Research Council. Follow-on work is ongoing, as part of the ‘Living with Environmental Change’ initiative. <http://uknea.unep-wcmc.org/About/tabid/56/Default.aspx>

integrated and collaborative modes of intervention. However, considerable challenges remain, and they should not be underestimated.

Evidence from the national assessments (England, Northern Ireland, Scotland and Wales) demonstrates some divergence in approach, which provides useful benchmarks for a comparative assessment of policy options. In many ways, the UK context provides a ‘controlled experiment’ in which policies are differently implemented across the devolved administrations. There is considerable scope for innovation at country level, and for shared learning from these divergent approaches.⁵⁴

Interest in the concept of ‘natural capital’ seems to have gained momentum more slowly in Northern Ireland than in Scotland and Wales⁵⁵; by 2012 the Northern Ireland Executive had set up relatively few projects specifically evoking ‘natural capital accounting’ and ‘ecosystem services’, although its programme for government for the period 2011-2015 includes a commitment to revise the Northern Ireland Biodiversity Strategy with the aim of promoting “actions that will contribute to halting the loss of biodiversity and the degradation of ecosystem services”⁵⁶, whilst the Northern Ireland Environment Agency alluded to ecosystem valuation in identifying the creation of “a green economy that reflects the value of the environment” as one of its “strategic priorities” for 2012-2020⁵⁷.

Meanwhile, The Scottish National Party’s dominant position in the Scottish Government since 2007 possibly accounts, in part, for an increasing emphasis on the economic value of the nation’s natural environment in ministerial statements and policy documents, with the Scottish First Minister, Alex Salmond, asserting in 2008 that “the key to fulfilling our country’s huge economic potential and to generating truly

⁵⁴ *The UK National Ecosystem Assessment: Synthesis of the key findings*. Cambridge, UNEP-WCMC, 2011: 55.

http://archive.defra.gov.uk/environment/natural/documents/UKNEA_SynthesisReport.pdf

⁵⁵ See Angela Watkins, ‘An Introduction to Natural Environment Policy in Wales and a comparison with natural environment policies for other parts of the UK’, National Assembly of Wales Publications, Research Service Briefings, Paper no. 12/018, May 2012. <http://www.werh.org/documents/EnvPolicyWales.pdf>

⁵⁶ Northern Ireland Department of the Environment, Programme for Government 2011-2015, Revised version, November 2012.

<http://www.northernireland.gov.uk/pfg-delivery-plan-commitment-51.pdf>

⁵⁷ Northern Ireland Environment Agency, *Our Passion, Our Place: NIEA Strategic Priorities 2012-2020*, 2012: 9. <http://www.doeni.gov.uk>

sustainable growth is to harness Scotland's stock of natural capital"⁵⁸. A pilot Scottish Natural Capital Index providing qualitative assessments of seven broad habitat types was launched in 2011, with a subsequently refined version set to be updated annually.⁵⁹ The current Scottish government has also shown keen interest in developing the means to translate such qualitative assessments of the environment into monetary terms, with the development of tools to "build on international and national experiences and outcomes" in identifying and valuing the nation's "environmental assets, biodiversity and ecosystem services" forming one of its strategic research themes for 2011-2016⁶⁰.

Similarly, the Welsh Government is currently financing research into assessment and valuation techniques applicable to "ecosystems and their services", as part of work being undertaken for the elaboration of an evolving Natural Environment Framework, entitled *A Living Wales*⁶¹. Following the publication of the UK NEA and the English Natural Environment White Paper in June 2011, the Welsh Minister for Environment and Sustainable Development, John Griffiths, issued a statement stressing that Wales was actively developing its own environmental policy, while welcoming "the proposed focus on accounting for the value of the environment in UK National Accounts"⁶². The Welsh Government went on to launch *Sustaining a Living Wales*, a Green Paper consultation structured around the central proposal of moving towards "an ecosystem approach to environmental regulation and management", which it defines as being characterised by favouring a more integrated perspective in the place of current tendencies to address environmental issues separately⁶³. It represents ongoing work on "improving our

⁵⁸ In his First Minister's Statement on the Scottish Government's programme for 2009, 'Taking Scotland Forward in 2009', 29 December 2008. <http://www.scotland.gov.uk/News/This-Week/Ministers-In-The-Media/081229000000>
⁵⁹ *Ibid.*, 2-3.

⁶⁰ Scottish Government 'Strategic Research 2011-16, Theme 1: Ecosystem Services', Tender Document.

<http://www.scotland.gov.uk/Resource/Doc/175356/0120154.pdf>

⁶¹ See <http://www.wales.gov.uk/livingwales> for details of the 'A Living Wales' Welsh Natural Environment Framework.

⁶² Welsh Government Cabinet Statements (2011): John Griffiths, Minister for Environment and Sustainable Development, Written Statement: The Natural Environment Framework 'A Living Wales', June 2011.

<http://wales.gov.uk/about/cabinet/cabinetstatements/2011/110615nat/?lang=en>

⁶³ *Sustaining a Living Wales: a Green Paper on a new approach to natural resource management in Wales*, Welsh Government consultation document, no. WG13943, January 2012: 1.