

Nature is a blind spot in economics that we ignore at our peril, says Dasgupta Review

Professor Sir Partha Dasgupta's review presents the first comprehensive economic framework of its kind for biodiversity. It calls for urgent and transformative change in how we think, act and measure economic success to protect and enhance our prosperity and the natural world.

Grounded in a deep understanding of ecosystem processes and how they are affected by economic activity, the new framework presented by the [Dasgupta Review](#) – which was commissioned by HM Treasury – sets out the ways in which we should account for nature in economics and decision-making.

Professor Dasgupta said:

Truly sustainable economic growth and development means recognising that our long-term prosperity relies on rebalancing our demand of nature's goods and services with its capacity to supply them. It also means accounting fully for the impact of our interactions with Nature across all levels of society. COVID-19 has shown us what can happen when we don't do this.

Nature is our home. Good economics demands we manage it better.

The Prime Minister said:

This year is critical in determining whether we can stop and reverse the concerning trend of fast-declining biodiversity.

I welcome Professor Dasgupta's Review, which makes clear that protecting and enhancing nature needs more than good intentions – it requires concerted, co-ordinated action.

As co-host of COP26 and president of this year's G7, we are going to make sure the natural world stays right at the top of the global agenda. And we will be leading by example here at home as we build back greener from the pandemic through my 10 point plan.

The Exchequer Secretary to the Treasury, Kemi Badenoch said:

Protecting and enhancing our natural assets, and the biodiversity that underpins them, is crucial to achieving a sustainable, resilient economy.

That is why the UK is already investing more than £600 million in nature-based climate solutions, such as tree planting and peatland restoration.

I want to thank Professor Dasgupta for his landmark Review. We will examine the Review's findings and respond formally in due course.

Environment Secretary, George Eustice said:

If we want to realise the aspiration set out in Professor Dasgupta's landmark Review to rebalance humanity's relationship with nature, then we need policies that will both protect and enhance the supply of our natural assets.

This is what lies at the heart of the government's 25-year environment plan, our approach to future farming policy, efforts to embed biodiversity net gain in the planning system, and other initiatives such as £3 billion for climate change solutions that restore nature globally and our new due diligence law to clean up our supply chains and help tackle illegal deforestation.

Sir David Attenborough said:

The survival of the natural world depends on maintaining its complexity, its biodiversity. Putting things right requires a universal understanding of how these complex systems work. That applies to economics too.

This comprehensive and immensely important report shows us how by bringing economics and ecology face to face, we can help to save the natural world and in doing so save ourselves.

The Review argues that nature is our most precious asset and that significant declines in biodiversity are undermining the productivity, resilience and adaptability of nature. This in turn has put our economies, livelihoods and well-being at risk.

The Review finds that humanity has collectively mis-managed its global portfolio of assets, meaning the demands on nature far exceed its capacity to supply the goods and services we all rely on.

The Review makes clear that urgent and transformative action taken now would be significantly less costly than delay and will require change on three broad fronts:

- Humanity must ensure its demands on nature do not exceed its sustainable supply and must increase the global supply of natural assets relative to their current level. For example, expanding and improving management of

Protected Areas; increasing investment in Nature-based Solutions; and deploying policies that discourage damaging forms of consumption and production.

- We should adopt different metrics for economic success and move towards an inclusive measure of wealth that accounts for the benefits from investing in natural assets and helps to make clear the trade-offs between investments in different assets. Introducing natural capital into national accounting systems is a critical step.
- We must transform our institutions and systems – particularly finance and education – to enable these changes and sustain them for future generations. For example, by increasing public and private financial flows that enhance our natural assets and decrease those that degrade them; and by empowering citizens to make informed choices and demand change, including by firmly establishing the natural world in education policy.

The Review will launch formally later today (2 February) at an [event](#) hosted by the Royal Society, with guests including His Royal Highness the Prince of Wales, the Prime Minister and Sir David Attenborough. The government has welcomed the Review's final report and is expected to respond formally to the Review's findings in due course.

Further information

- The UK Government commissioned Professor Sir Partha Dasgupta to lead an independent, global Review on the Economics of Biodiversity in Spring 2019.
- The Review published its [interim report](#) in April 2020.
- Professor Dasgupta has been supported by an Advisory Panel, drawn from academia, public policy and the private sector. [More information about the Panel is available.](#)
- The publication of the Review comes ahead of COP15 for Biological Diversity, where new long-term international targets for addressing biodiversity loss are expected to be agreed; and COP26 for climate change, where Nature and nature-based solutions to climate change are expected to play a prominent role.