Group Assignment #1: Wed. Feb. 22

Econ 2505 – Environmental Economics

Prof. S. MacDonald

“Moving Beyond GDP: How to factor natural capital into economic decision making”

<http://www.wavespartnership.org/sites/waves/files/images/Moving_Beyond_GDP.pdf>

1. According to the WAVES report, what does GDP fail to measure?
2. What is natural capital and what are the arguments that are made for placing a value on ***natural capital*** (natural resources)?
3. Explain how the report believes natural capital should be measured.
4. How can accounting for the value of natural capital provide a more accurate measure of the value of what a nation produces? Provide an example of what one country is doing to account for the value of its natural resources.