

liked this assessment overall but was surprised by the detail in several places, which seemed a bit out of place in a book for a general readership.

Part II consisted of separate chapters on California's Channel Islands, Bahamian marine reserves, and Belize. I only have second-hand knowledge of these areas but the treatments seemed comprehensive and informative. The concluding chapter provides a series of mini-reviews of the experiences of implementing and managing reserves in several other parts of the world. It ended with some cautiously optimistic predictions about the future of marine reserves. This book does not contain much new information but is useful to anyone who wants a good overview of what we already know about marine reserves.

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Mark Sagoff, 2004. Price, Principle, and the Environment. Cambridge University Press, ISBN: 052154596X, 294 pp.

Two very different writers, both using the name of University of Maryland philosopher Mark Sagoff, seem to have collaborated in writing *Price, Principle, and the Environment*. Both make a number of interesting points; both write well, if a little repetitively. However, both intemperately overstate their main arguments; and unfortunately, the wrong one prevails in the end.

One writer—call him left-Sagoff—emphasizes the limits of economic analysis and the utilitarianism on which it rests, and cites Immanuel Kant, the 18th-century philosopher who observed that our most important values have a dignity, not a price. Speaking of the Ten Commandments, Sagoff says,

The imperative “Thou shalt not murder” should not be understood as a policy preference for which Moses and other like-minded reformers were willing to pay. (39)

The other writer, right-Sagoff, praises the performance of the market, denies the existence of market failures, and cites Ronald Coase, the 20th-century economist who believed that private negotiation leads to the same ideal outcomes, with or without government regulation.

[V]oluntary action always achieves an optimal result. ... Microeconomic theory, when its logical implications are understood, calls for no environmental policy. The price of everything is always right. (114–115)

The reader waits in vain for a reconciliation or synthesis of these opposing views. Right-Sagoff must have won the coin toss, since he alone wrote the book's conclusion.

The first four chapters of the book belong to left-Sagoff. He begins by contrasting instrumental or utilitarian values, involving judgments about benefits to an individual, versus moral and aesthetic values, involving judgments that transcend individual welfare. The former is the province of economics; the latter provides the rationale for valuing and protecting the environment. Beliefs are different from benefits; moral commitment cannot be represented as a variety of consumer demand. The use of contingent valuation to estimate existence values receives a round of well-deserved mockery.

Sagoff also dissects the abuse of the concept of preferences by economists. Preferences as subjective mental states are unobservable, while preferences as revealed by behavior are subject to multiple, conflicting interpretations. The work of Amartya Sen, as well as findings from psychology and philosophy, contribute to this insightful line of argument.

But then left-Sagoff overreaches in chapter 4, claiming that willingness to pay explains nothing at all, not even the demand for ordinary private goods. Nobody, he says, pays the maximum that they are willing to pay for most purchases. Sagoff can think of many non-marginal consumer decisions—replacing a flat tire, buying prescription drugs—that would not be changed by small variations in prices.

This is of course a basic misunderstanding. The standard analysis of supply and demand only assumes that *some* people are making price-sensitive decisions at the margin, not that most people do so most of the

time. Even in the prescription drug market, there are marginal consumers who would purchase less in response to a small price increase — such as low-income seniors who may be forced to choose between their prescriptions and other necessities of life (nobody said that market outcomes were equitable).

Right-Sagoff takes over for the last five chapters. Environmental values are evidently confined to the moral and aesthetic realms, entirely outside of economics. Within economics, markets never fail, since any externalities can be internalized by private bargaining. If the first part of the book felt like a running debate with economists who think their discipline offers environmental solutions, the second part tackles environmentalists who think the market economy is part of the problem.

Despite the gratingly anti-environmentalist tone of the later chapters, right-Sagoff makes some worthwhile points. The attempt by some ecological economists to calculate the value of all the world's ecosystems was bound to fail. Theories of natural capital fall short of describing the true value of nature, because “non-use values” are excluded. Sagoff reasonably argues that cost-benefit analysis of environmental protection is impossible.¹

But as the text moves towards policy proposals, it drifts deeper into political controversy. One of the valuable suggestions from economists, according to Sagoff, is that the targets in international climate change treaties could be set in terms of the ratio of carbon dioxide emissions to GDP (199). Under this approach, no one ever faces an absolute emissions cap; more growth always means more emissions are allowed. This is consistent with the approach to climate change taken by the Bush administration, but not with the Kyoto Protocol.

In the end, how are the rival claims of environment and economy, of Kant and Coase, to be reconciled? A process of democratic deliberation is needed; but Sagoff's description of that process resolves the philosophical conflict entirely on Coase's terms. There are no Kantian imperatives to be seen, only

environmentalists sitting down at the table as one of the many parties playing “let's make a deal”.

The final chapter is devoted to Sagoff's account of the Quincy Library Group, which met in a small-town library in rural California in the mid-1990s to negotiate a proposal for management of nearby national forests. Bringing together local officials, environmentalists, and timber industry representatives, the group supposedly cut through the deadlock of national policy, used face-to-face chumminess to overcome traditional antagonisms, dared to ignore confusing and indecisive science, defied the self-serving bureaucrats of the Forest Service, and came up with a wonderful new grassroots proposal.

There are, to be sure, critics of the new approach: national environmental groups objected that industry will always have the resources to dominate informal local gatherings like the Quincy Library Group, and that urban citizens are automatically disenfranchised from remote, rural proceedings. But Sagoff contemptuously dismisses these sensible-sounding responses. There are also fans of the new style of deliberation: the Quincy Library Group “offers hope to those of us who care deeply about balance on our national forests”, said Idaho Representative Helen Chenoweth (224). Sagoff neglects to mention that Chenoweth is a virulently anti-environmental Republican, whose endorsement might be taken as a warning that something is amiss in the brave new world of chatting at the local library.

Consider another “deliberative” process, the one that has emerged around tobacco regulation. The anti-smoking movement, based on clear and alarming scientific findings about public health, has made its case through local and state regulatory initiatives, campaigns for smoking bans at workplaces and public facilities, numerous lawsuits, and eventually national legislation. It may even have held meetings in libraries, although the tobacco industry may not have been invited. There are no “win-win” solutions here; the people who wanted to protect public health are winning, and the people who have made money selling tobacco are starting to lose.

Democratic deliberation is a great idea; it is hard to imagine a good way of making public decisions without it. But it does not necessarily entail the conflict-free, place-based togetherness of the Quincy Library story, a too-perfect vignette of negotiation à la Coase. When left-Sagoff reappears, I'd like to ask him

¹ For similar arguments about cost-benefit analysis and the problems of monetizing nonuse values, from a perspective more sympathetic to environmentalism, see [Ackerman and Heinzerling, 2004](#).

whether Kant would have preferred the anti-smoking movement.

Reference

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Capitalism and *Collapse*: Contradictions of Jared Diamond's market meliorist strategy to save the humans

The environmental movement finds itself at a paradoxical conjuncture. On the one hand, global environmental trends are truly frightening. I could rehearse all these trends but they are familiar enough to readers of this journal. On the other hand, global environmental consciousness has never been higher. Not so many years ago we environmentalists were ridiculed as alarmists and extremists. Today, all the world's scientific organizations, the United Nations, notable CEOs, Tony Blair, and even the U.S. Pentagon are all pleading for *something* to be done to avert the onrushing threat of global warming, among other threats.¹ Yet for all the gains in consciousness, the

¹ National Academies of Science of Brazil, France, Italy, UK, Canada, Germany, Japan, USA, China, India, and Russia, "Joint science academies' statement: Global response to climate change" June 7, 2005 <http://www.timesonline.co.uk/>. United Nations Intergovernmental Panel on Climate Change (IPCC), "Climate Change 2001: Working Group I: The Scientific Basis (Summary for Policymakers)", http://www.grida.no/climate/ipcc_tar/wg1/005.htm accessed 3/6/2005. Ray C. Anderson, *Mid-Course Correction: Toward a Sustainable Enterprise* (Peregrinazilla Press: Atlanta, 1998). "Blair 'shocked' by climate change", *BBCNewsOnline* September 14, 2004. U.S. Pentagon, "An abrupt climate change scenario and its implications for United States national security", October 2003. The report was leaked to the press in February 2004 and then posted on a government web site: <http://www.ems.org/climate/pentagon-climate-change.pdf>.

practical efforts to stop global warming, deforestation, pollution and other threats have run into a brick wall of resistance. This paper is going to argue that the easy gains have been won, and were won because they were marginal and no threat to the system, but the deeper problems are systemic, built into the nature of the capitalist economic system, and cannot be overcome short of systemic transformation. I am going to make this argument through a critical review of Jared Diamond's new book *Collapse: how societies choose to fail or succeed*.

Diamond, the Pulitzer Prize winning author of *Guns, Germs and Steel* (1997) has given us a provocative and fascinating history lesson in what could happen, even to our technologically advanced society, should we fail to learn—and apply—the lessons of past failed societies. In "Collapse: How Societies Choose or Fail to Succeed", Diamond takes us on a sobering reality tour of six societies that committed ecological suicide in the hopes that we can learn from their failures in time to save ourselves.² Diamond's thesis is that some societies like the Easter Islanders, the Greenland Norse, the Anasazi of the American southwest and others collapsed largely because they overdrove their natural resource endowments. They either failed to realize the need to change their practices or, in some cases, inexplicably refused to change and instead pursued "grim trajectories" toward disintegration and collapse. Other societies facing comparable circumstances, like the Tikopians and Tongans of the south Pacific, the Highland tribes of New Guineans, the Japanese under the Tokugawa survived, Diamond says, because they reversed long-term negative environmental trends and/or adapted to difficult or changed environmental conditions.

So why did some societies change and survive while others resisted change and fail? Diamond argues that key to success was for societies to break with outmoded, eco-suicidal "core values" and adopt more environmentally benign economic practices. The historical record, he says, reveals two "paths to success". Either, as with some small-scale tribal societies, such turnabouts were made collectively "from the bottom up" more or less democratically. Or, such decisions were made "from the top down" by fiat of "enlightened" authoritarians: So Tokugawa

² New York: Viking 2005.