Should a Price Be Put on the Goods and Services Provided by the World's Ecosystems?

The issue within these opposing arguments is on the externalities the environment is facing and the issue of whether or not a priced should be put on the goods and services provided by the world's ecosystems is focused upon. According to these two arguments, undisturbed ecosystems do many things that benefit us. However the initial argument argues that if we do not have economic values for free services from nature, we are likely to exploit the ecosystems that provide those services, while the following argument ensures that using the pricing approach to value nature's services is inadequate as it misleadingly suggests that only economic values matter.

When economies and societies use misleading signals about what is valuable, one is encouraged to make decisions that run counter to their own long-range interests and those of society and future generations. The first argument, written by Janet N. Abramovitz, claims that the failure to value nature's services is not the only reason why these services are misused. Often illogical and unbalanced resource use continues, even with the indication that it is ecologically, economically, and socially unsustainable. People acquire the benefits of these resources are often not the ones who pay the costs for utilizing it. The argument uses significant examples that portrays this notion, such as forest fires in Indonesia and the disappearance of honeybee colonies in U.S. as "free services" that are provided by nature and consumed by the human economy, "services that have immense economic value but are largely unrecognized and uncounted until they have been lost." (Abramovitz, 5) Furthermore, it presents the issue at hand from different perspectives of consumers and producers, which highlights its effectiveness. "Many of these services (nature's free services) are indispensable to the people who exploit them, yet are not counted as real benefits, or as a part of GNP."(Abramovitz, 5) There is also efficient structure within the argument in which Abramovitz initially starts with immense detailed evidence portraying how "free services" are being taken for granted. The argument then shifts in highlighting the importance of putting a value on nature's free services. Starting out with evidence immediately captivates readers and enhances the following claims. The examples given and the structure of the argument are helpful enough to understand that humans are destroying the environment and natural resources are increasingly being depleted. What is more important and hard to determine, however, is to measure the cost/value of using these resources.

The claims of the second argument, written by Marino Gatto and Giulio A. De Leo, argues that, while cost-benefit analysis is an essential part of decision-making, we should also implement other ways of management that do not primarily depend on economic assessments but are clearly expressed and "transparent." (Gatto and De Leo, 16) The argument also suggests that there are dangers in assigning monetary value to such services, as it highlights the notion that the environment is simply a product to be exploited. Values should be put on nature's "free services", but it is often hard to do so, which is more logical since it accepts the fact that a value should be put on nature's services, but it is often hard to do so. Since this argument divides these costs into four major categories, "ingenious techniques for the monetary valuation of environmental goods and services", it poses strong, logical points that are not reflected in the first argument. The effective example of the Exxon Valdez oil spill in 1989 shows how the "outcome of cost-benefit analysis depends strongly on the group of people that is taken as a reference for valuation" (Gatto and De Leo, 19) and further validates their claims that contingent valuation methods simply offers information about the preferences of a particular group of people but do not necessarily reflect the ecological importance of ecosystem goods and services.

Both arguments agree that environmental services should be valued, however, they conflict in that one argument suggests it is possible that the value of "free services" can be measured while the latter suggests it is difficult. For the most part, the second argument evidently poses stronger validity rather than the first argument due to its effective evidence alongside its profound claims. Even though ways of measuring value appears to be logical and efficient, most of the time they are too hard to measure due to the fact that some natural sources provide many services so that it is much too difficult to measure them. "For so long, we have viewed the natural world as an inexhaustible resource and sink" (Abramovitz, 13). Furthermore, depleting some services have unpredictable costs and values, such as the loss of individual species. The first argument strongly advocates that there is an increasing exhaustion of nature's services and that it is difficult, but still possible, to measure the value lost. "There is no simple solution to complex problems… putting a monetary value on biodiversity and ecosystem services will prevent humans from valuing the environment other than as a commodity to be exploited." (Gatto and De Leo, 24) Thus, nature's services should be weighed and labeled with a price tag, however it is hard to do so because of the immense complexity. If one cannot measure these costs effectively, what one can do is stop or slow down the consumption of these services.