Moving Beyond GDP

How to factor natural capital into economic decision making
"Gross domestic product, the leading economic measurement, is outdated and misleading... It’s like grading a corporation based on one day’s cash flow and forgetting to depreciate assets and other costs."

— J. Stiglitz, Nobel prize, economics
Mangroves in Thailand - convert or conserve?

- **Decision: CONVERT**
  - Scenario 1: accounting only for marketed products
    - Value of mangrove: $955
    - Value of converted mangrove: $10,649
  - Scenario 2: accounting only for marketed products, adjusted for subsidies
    - Value of mangrove: $955
    - Value of converted mangrove: $1,349
  - Scenario 3: accounting for the total value of the mangrove
    - Value of mangrove: $21,456
    - Value of converted mangrove: $10,649

**Value per hectare in dollars**

- Scenario 1: accounting only for marketed products
- Scenario 2: accounting only for marketed products, adjusted for subsidies
- Scenario 3: accounting for the total value of the mangrove