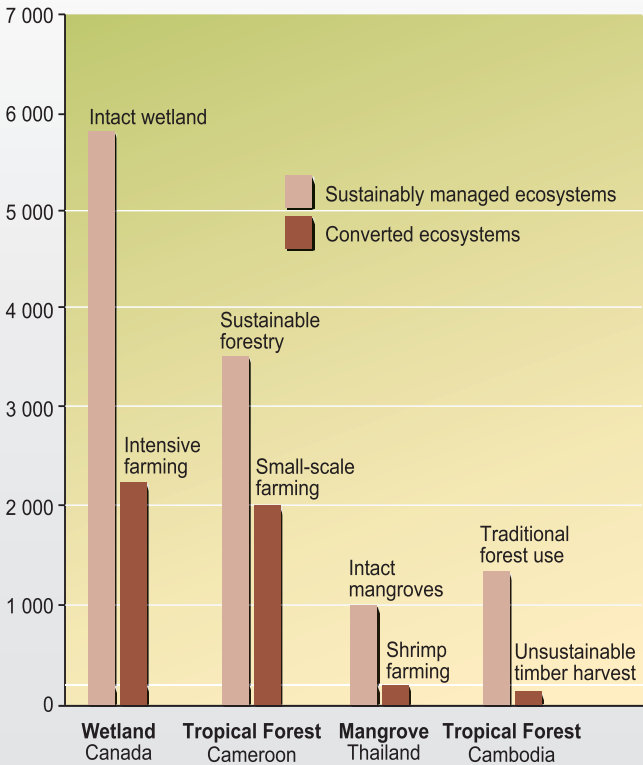


FIGURE 1.2 | Economic benefits under alternative management practices

Net present value in dollars per hectare



Relatively few studies have compared the total economic value of ecosystems under alternative management regimes. The results of several that attempted to do so are shown. In each case where the total economic value of sustainable management practices was compared with management regimes involving conversion of the ecosystem or unsustainable practices, the value of the sustainably managed ecosystem exceeded that of the converted ecosystem even though the private benefits—that is, the actual monetary benefits captured from the services entering the market—would favour conversion or unsustainable management. These studies are consistent with the understanding that market failures associated with ecosystem services lead to greater conversion of ecosystems than is economically justified.