

A team of Oxford economists (and a scientist) set out to better understand the extent to which we can do without natural capital

# The wealth of nature

Increasing national wealth and reducing risk by measuring and managing natural capital

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## CAN WE STOP DEPLETING NATURAL CAPITAL? A LITERATURE REVIEW ON SUBSTITUTING IT WITH OTHER FORMS OF CAPITAL

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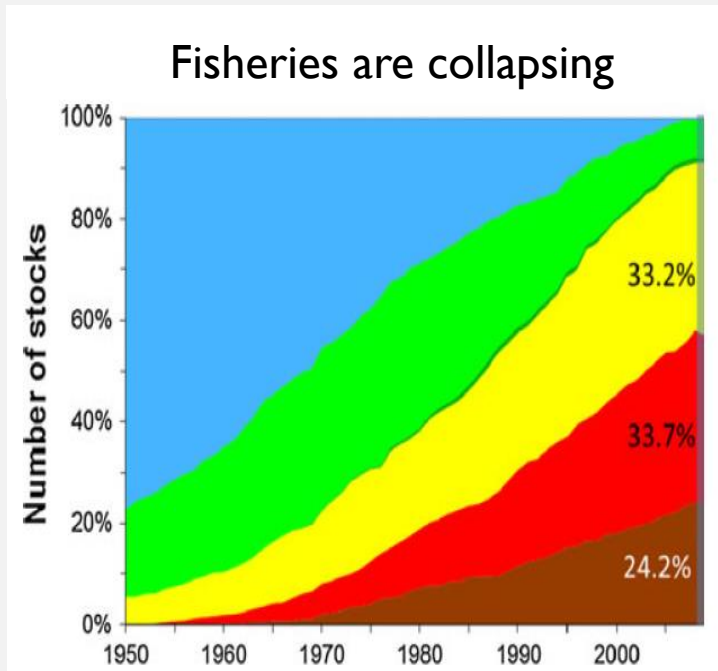
Economics of Sustainability Programme



Exhaustible natural capital is measured, priced & valued by markets.  
 Renewable natural capital is not, accelerating depletion → economic loss

## Problem

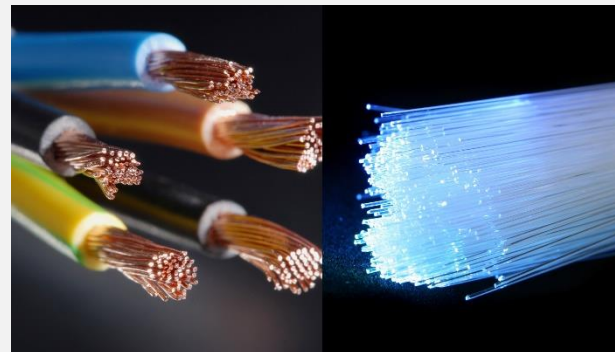
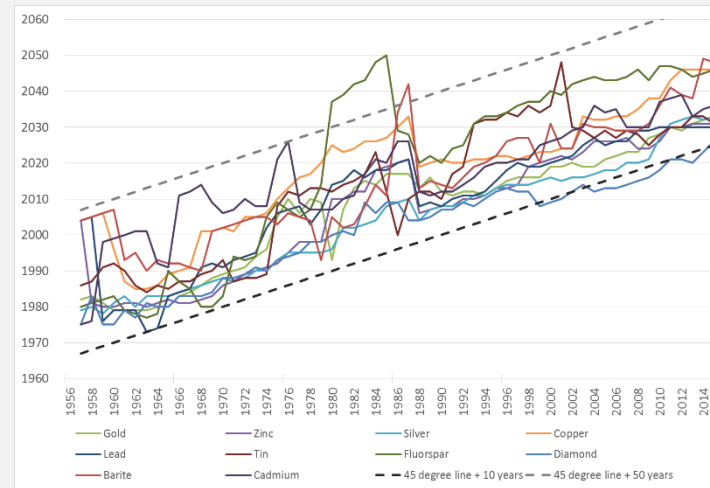
Excessively rapid depletion



Developing Overexploited  
 Fully exploited Collapsed

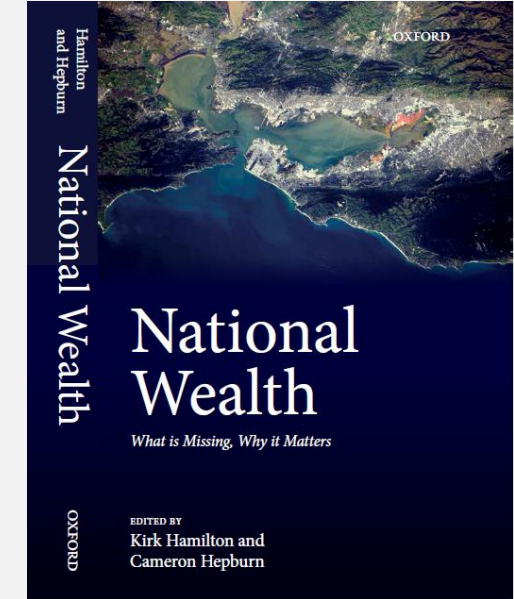
## Diagnosis

Follow the prices



## Solution

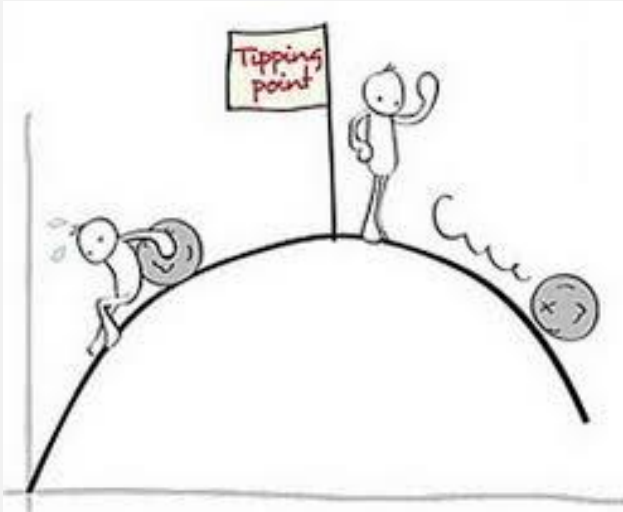
National & corporate accounts  
 Substitutability analysis (R 1-7)



# We are flying blind: without a precautionary approach to thresholds and governance of critical natural capital stocks → threats to human survival

## Problem

Crossing thresholds



## Diagnosis

Governance failures



## Solution

SDGs, precautionary approach  
Critical capital register (R 9-10)



HM Treasury

**NATURAL CAPITAL  
COMMITTEE**



**Thank you**