

Chapter 23 Ecological Economics

This chapter is a culmination of topics covered in previous chapters, along with the integration of new concepts. It is important to understand renewable and nonrenewable resources, as well as how sustainability pertains to renewable resources. If resources are not used sustainably, they can become nonrenewable. A new concept in this chapter is intangible resources. While most people refer to this in general as aesthetics, it is more significant than that title might imply.

It is difficult to put a price tag on the environment. Ecological economics attempts to do this, or at least help to explain a method that might be useful when valuing ecosystem services. It is crucial to understand what the environment provides for humans.

It is necessary to understand the basic concepts of GNP, GDP, EPI, and cost-benefit analysis. Costs and benefits can be either economic or environmental.

The Kyoto Protocol attempts to control or limit greenhouse gas emissions. The importance of cap-and-trade is an essential concept. In addition, understanding the meaning of the term *carbon-neutral* will be fundamental in this lesson.