



Ohio Valley Environmental Coalition

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Dec. 18, 2002

Dear Mr. Kelley:

From the October meeting I attended, our November phone conversation and studying your website, I understand that the principles of ecological economics will not be followed for the Mountaintop Removal EIS valley fill study Hill and Associates is conducting. However, you seem willing to make note, somewhere within the report you will create, of the concerns of environmental groups. Therefore, I ask that the following information be included within your report.

It is my belief that the currently prevailing old-school style of economics, what we may refer to as Enron-economics, will eventually be discarded as a faulty discipline. That eventuality will most likely be thrust upon us as environmental disasters, such as global climate change, force people everywhere to acknowledge that any economic discipline must account for the laws of nature. As you can surmise from these statements, I believe the EIS valley fill study Hill and Associates is conducting is based on outdated premises and practices. To reflect real-world costs associated with differing valley fills sizes and mountaintop removal mining rates, the value of ecosystem services must also be studied.

Ecological economics attempts to measure the value of ecosystems services, as if our futures depended on them, as indeed they do. Academics gathering at Stanford University were among the first to detail the inadequacies of old-school economics and the need to advance the ecological economics:

Stanford Report, (excerpt) December 1, 2000

How much is an ecosystem worth?

It's easy to put a price tag on timber harvested from forests or copper mined from the ground, but can we put an economic value on the less tangible services ecosystems provide, such as water purification and flood control?

A group of 30 scientists, lawyers, conservationists, economists and policymakers recently came together at Stanford to discuss novel ways to market "ecosystem services" with the ultimate goal of protecting the ecosystem itself.

...ecosystem services are the processes through which natural systems support human life by purifying air and water, detoxifying and decomposing waste, renewing soil fertility, regulating climate, preventing droughts and floods, controlling pests and pollinating plants.

Watersheds may be among the most marketable of all ecosystems, according to several panelists, because they provide essential services such as water purification and flood control.

Please also consider this excerpt from “The Value of the World's Ecosystem Services and Natural Capital” by Robert Costanza *et al.*, at <http://csf.colorado.edu/ISEE/ecovalue/>:

The services of ecological systems...are critical to the functioning of the Earth's life-support system. They contribute to human welfare, both directly and indirectly, and therefore represent part of the economic value of the planet. For the entire biosphere, the value (most of which is outside the market) is estimated to be in the range of US\$16-54 trillion per year, with an average of US\$33 trillion per year. Because of the nature of the uncertainties, this must be considered a minimum estimate.

Historically, the nature and value of Earth's life support systems have largely been ignored until their disruption or loss highlighted their importance. For example, deforestation has belatedly revealed the critical role forests serve in regulating the water cycle – in particular, in mitigating floods, droughts, the erosive forces of wind and rain, and silting of dams and irrigation canals. Today, escalating impacts of human activities on forests, wetlands, and other natural ecosystems imperil the delivery of such services.

Many of the human activities that modify or destroy natural ecosystems may cause deterioration of ecological services whose value, in the long term, dwarfs the short-term economic benefits society gains from those activities.

We believe that land use and development policies should strive to achieve a balance between sustaining vital ecosystem services and pursuing the worthy short-term goals of economic development.

Indian physicist, author and activist Vandana Shiva also speaks on ecological economics. In an article entitled “Deepening Democracy” appearing in the Dec. 2002 issue of *Yes!* Magazine, she said:

Either way, economic insecurity is the legacy of a finance-driven, capital-driven, corporate-driven economic model that is destroying our natural capital and the resilience of local economies...What we have now is a regime of absolute rights in the hands of corporations with zero responsibility for the environmental and social devastation and the political instabilities they are creating. If we want to reactivate and rejuvenate democracy, we have to bring back the economic content.

Of course, there is so much more to ecological economics. It is my hope that your company will learn about and incorporate the use of this discipline, so that future studies you undertake will be more useful for those of us who are paying for them and who are supposed to benefit from them. As Einstein said, “No problem can be solved from the same consciousness that created it.”

Thinking of the future,

Vivian Stockman, OVEC communications coordinator
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(e-mailed letter, therefore no signature)