

## Our Natural Inheritance RANJIT BARTHAKUR, gms

Through the ages we have used nature's capital to surge economic growth. This use, overuse, and misuse of nature have eventually put both of "us"; the "consumers" and the "resources" on the verge of destruction. We have paid a very high price for the phenomenal economic growth and now are in danger of derailing the same growth if we do not manage our natural assets in a more effective and sustainable manner.

Under these circumstances, there is little or no scope for rejoicing over such short term wealth creation which is actually responsible for the ecological deprivation and the rapid decline of our natural inheritance.

The fundamental issue is one of measurement and frame-working of ecological value. Economics has its own theoretical construct based on economic value creation which is measured by market forces in terms of optimal utilization of all available and accessible assets - land, labour, capital and natural resources. A market price is attached to this efficiency in the utilization of assets - the better the utilization of the assets, the higher the market price. This is in conflict with the ecological value framework - ecological value is, in principle, based on factors such as the complexity of the ecosystem, its connections with other ecosystems, the scarcity of the ecosystem, its vulnerability, and its contribution to biodiversity. This implies that ecological value is not based on any market mechanisms; it is based on the ability to sustain ecology through the complex inter-relationships in the eco-system. Hence, a 'friction factor' is bound to occur at the overlap of these two components - nature and economics, impacting security across all four areas of our living and inheritance - food, water, energy and environment.

However, instead of focusing on the conflict we envision an emerging interdependence between nature and economics which we call Naturenomics™. Naturenomics™ relates to capital formation for a region or organization through the creation of ecologically 'compliant' assets in a sustainable manner.

There are two imperatives which will underlie the principles of Naturenomics™:

- a major paradigm shift - adjusting the balance of power by displacing economics at the heart of all activity, and replacing it with nature assets as the soul of all activity
- agree to a common system and methodology of valuing nature assets - just as there are generally accepted accounting principles (GAAP) in economic accounting, and accepted methods like net asset value and discounted cash flows of valuing economic assets, we need to develop a 'green accounting methodology' (GAM) and a Nature Quotient (NQ) - a list of nature parameters to measure ecological value and performance.

"Naturenomics™ - Nature and Economics - Nurturing Interdependence" is a compilation of thought pieces dedicated to the themes of Naturenomics™. We are indeed grateful to all those who have contributed to this collection including eminent persons and organizations such as Lester Brown, Pavan Sukhdev, Bittu Sahgal, Harvard Business Review, McKinsey & Co., etc, and last but not the least, my colleagues at GMS.

This compilation is not meant to provoke discussion and debate; we have indeed seen and heard enough of that already. It is intended to stimulate immediate action, without which we will continue our rapid downward spiral into the black hole of imbalance between nature and economics.

Our organization, Globally Managed Services (GMS), is at the forefront of nurturing Naturenomics™. Our high NQ initiatives in this space include:

- **Balipara Foundation** - community level involvement and employment/income generation through social entrepreneurship in initiatives that are economically self sustaining - focus on bio-diversity and natural agriculture.
- **GMS - Morarka Organic Development Initiative (GMODI)** - Under Balipara Foundation, GMODI is a joint venture between GMS and the Morarka Foundation focusing on developing community based organic cultivation programmes, including developing market linkages
- **AgriQuest** - focused on back end agricultural products preferably insecticide and pesticide free and organic produce, supply chain aggregation and marketing, working closely with the farming communities and entrepreneurs to ensure market access for their products

- **FarmQuest** - aggregates larger agricultural land banks to bring them under organized cultivation of bio-diverse farming practices preferably organic.
- **NatureFirst** - helping governments, corporations and individuals develop strategies in clean environment, water and carbon management, and take actions to help restore the balance between nature and economics
- **River Journeys and Bungalows of India** - a nature tourism initiative currently with two properties - Wild Mahseer (a cluster of high end tea garden bungalows) and Wild Grass (a nature lodge)

GMS will strive to continue to build, manage, operate and nurture initiatives in the domain of Naturenomics™, and work closely with different constituents (governments, NGOs, multilateral agencies, thought leaders, local communities, private sector enterprises, public sector enterprises, etc) to enable this paradigm shift. Towards this we work closely with the governments of the states of North East India to facilitate the process of Naturenomics™ by facilitating investment flow in areas sectors as agriculture, clean energy, eco-tourism, eco-townships, waterways, etc. We envisage that many of these projects will be implemented in Public-Private Partnership formats between these governments and private parties.

Together lets nurture nature - OUR NATURAL INHERITANCE!