# CAN WE PRICE VALUES? SOCIAL AND CULTURAL VALUES IN DECISION-MAKING FOR INTEGRATED COASTAL MANAGEMENT

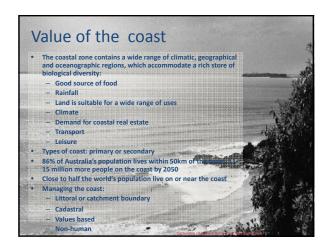
Economics, Management and the Coastal Zone Forum Sydney Coastal Councils Group, 24 February 2011

Dr Neil Lazarow
Visitor, Fenner School of Environment and Society
Australian National University



# Scope of presentation

- 1. Why is the coast valued?
- 2. What kinds of values do we associate with the coast?
- 3. Can we measure some or all of these values?
- 4. What happens when different value sets collide?
- 5. Are there any risks associated with this approach?
- 6. Some opportunities for coastal management and climate change adaptation



### Here's some context

#### NSW Coastal Policy - Section B Implementation

The principles can be used to guide decision making and clarify the basic philosophy of the goals and objectives of the policy. They should be read within the broader vision for the coast, being a coastal environment which is conserved and enhanced for its *natural and cultural values while also providing for the economic, social and spiritual well-being of the community* (NSW Coastal Policy 1997, p 75).

# What do we mean by 'value'?

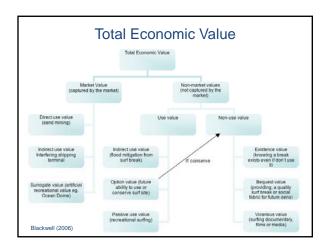
Everyone thinks they understand value; value is part of everyday life. There are spiritual values, religious and moral values, good values on used cars, and the list goes on. When most people talk about the value of the coast, they might be talking about any of these values.

When economists speak of values, however, the definition is much more narrow. For economists, value represents how much the use of a resource improves the economic wellbeing of one person or of society at large (Pendleton, 2009, p. 4).

This is best described by the amalgam of values known as Total Economic Value.

#### Valuing environmental goods and services

- Environmental goods and services have both market and non-market values.
- Some uses are viewed in market terms even though a market for these goods and services does not really exist.
- Some goods and services do not have a market value or have a value to society that cannot be adequately expressed in market terms.
- Some of these are crucial to the maintenance of a healthy society and its economy.
- Even where an individual may not directly interact with the coast in any way, he or she may see the benefits to others, to society and to future generations from doing so.



#### Garnaut Climate Change Review 2011

- Four types of benefits of CC mitigation
  - 1. Currently measurable market benefits
  - 2. Market benefits non-readily measurable
  - 3. Insurance value of mitigation
    Type 3 & 4 benefits may be more valuable that measurable Type 1 and 2 effects alone
  - 4. Non-market benefits
  - '..benefits that are generally excluded from conventional economic measures because they are difficult, if not impossible, to value'. They are of great importance and include 'environmental amenity, longevity, health (beyond its purely financial effects), the heritage value of established patterns of social and economic life, and also the welfare of non-Australians.'
- "...The environment sustains life, supports our physical and mental health and provides psychic enjoyment. Constitutively, Australia's unique biodiversity is integral to our cultural identity (Henry 2010)."
- Garnaut suggests that because we value such non-market services most Australians would sacrifice some consumption of goods and services into the future.
  - Challenging because the natural estate is contested.

#### Some frameworks used in Australia

#### Monetised

- Aquatic Value Identification and Risk Assessment (AVIRA)
- Cost Benefit Analysis
- Investment Framework for Environmental Resources (INFFERR)
- Natural Resource Damage Assessment
- Real Options / Options
- Risk return

#### **Non-monetised**

- Deliberative processes (e.g. citizen jury)
- Multi Criteria analysis
- Triple Bottom Line

#### **Tools**

- Market valuations generally measured by examining how much people contribute to a particular sector of the economy through spending related to access, equipment, goods and services
- Non-market valuations generally collected through revealed or stated preference (also known as contingent valuation method) e.g.
  - Travel Cost Method
  - Choice modelling
  - Willingness to pay

#### Contested values

- Infrastructure and engineering
  - Resource quality
  - Resource modification
  - Preferential use
- Environmental issues
  - Reef health
  - Water quality
  - Ecosystem health
- - Economic impact
  - Non-market value

- Coastal 'community' culture
- Social capital
- Aesthetics
- Significance
- Legislative and management
  - Public access
  - Recreation
  - Tourism
  - Stewardship
  - Attachment to place

Some real world examples



# Why South Stradbroke Island?

- Break 'created' 1986, seawalls and sand bypass system create a constant supply of sand
- Strategic Plan Harbour Vision 2020
- 2004 State Government rezoning
- ESIS for a cruise ship terminal + superyacht marina
  Expected financial windfall was \$7-8million p/a

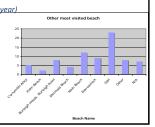
- Amillion p/a
  Community opposition to loss of a
  good not traded in the market place
  hard to quantify
  Community advised that cruise ship
  terminal requires extension of southern
  breakwall by upto 400m & dredging of
  Seaway by a further 6m.
  Surfing community seeks independent
  engineering advice and is informed surf
  break likely to 'disappear' as a result of
  capital works program.





## Economic information and visitation

- Average no. of surfers per session = 80
- Average no. of surfers per day = 176
- Average no. of surfers per year = 11,500
- Average no. of surf sessions per year = 64,000
- Market expenditure = \$20,000,000 p/a (\$4365 spent per surfer on surfing each year)
- Expenditure consistent for previous 5.5 vears
- 85% say expenditure on other related activities will decline if they surf less



#### Non-economic information

- 97% of respondents thought surf quality would decline
- · Common issues amongst respondents:
  - Reduction in access and amenity
  - Increase in water quality problems and pollution risks to people and marine life
  - Decrease in trust in government
  - Increased negative social impacts on other already crowded surf
  - Increase in criminal behaviour with bored youth
  - Increase in risk to surfers from significant changes to tidal flow in the
  - Project would result in people turning away from surfing and aspects of a healthy lifestyle which would mean increased health costs for the community

#### Outcome







- Plan is to to create an ail weather access load ramp. Independent reviews ought by community finds that the preferred option "will place the groyne across the end of the outer break, imposing an additional hazard to surfers as well as destroying part of the break."

  EES states that there are "opposing views about the impact that the breakwater walls will have on surf further out......The "region then becomes a more attractive place for the type of visitor who is family orientated and with young children, or teenagers who are interested in taking up surfing as a snort."



Non-economic information **Bastion Point** •The proposed development increases risk to surfers of being hit by a Bastion Point is the only surf break that those without vehicles (en school of dren) can access relatively safely and quickly
 Intergenerational experience a significant mentoring experience •A blight on the otherwise 'pristine' environment •The loss of local sovereignty •Majority population unsupportive •Deficiencies and errors in the economic, biophysical and social values reports

Challenges (including maladaptation)



Palm Beach remains vulnerable to complete loss of beaches and severe property damage as a result of severe short-term storm erosion.

Over time, climate change will only increase this risk (Tomlinson, et al. 2007).

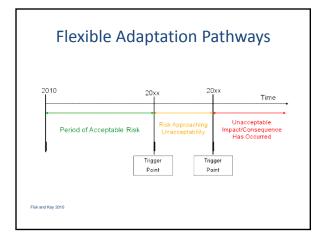


Chronology of events	
199 9	July: GCCM commissioned to prepare PBPS.
200 1	October: Stage 1 design commences.  December: GCCC adopts PBPS Masterplan concept. PBPS submitted to Beach Protection Authority (BPA) for approval.
200 2	April: Application to state government for approval of PBPS.
200 3	March: PBPS approved by BPA; approves in September.  December: Tender awarded. Contracts signed; materials orders placed. Details of/breakwater reef proposal publicked. Opposition to proposal by surfing community.
200 4	January: Opposition to proposal by surfing community intensifies.  23 January: Assizalia Day march and protest by surfing community intensifies.  25 January: Assizalia Day march and protest by surfers.  February: BPS Consultative Committee formed. Independent review of PBPS commences.  12 February: Works stops on breakwater/reef.  18 March: First meeting of the PBPS Consultative Committee.  May: Independent review of PBPS commissioned by Save Our Surf Inc. is finalised. Report highly critical of reef design.  July: Independent review finalised.  August: PBPS Consultative Committee resolves to delete submerged coastal structure/reef in present form from the PBPS.  November: GCCC deletes 19th Avenue reef from PBPS. GCCC CEO writes to EPA to request whether a reef should form part of a future beach protection strategy at Palm Beach.
200 7	August: GCCM prepares update on recommendations for PBPS for GCCC – determines that offshore control structure/multifunctional reef breakwater be included in the PBPS.



# Outcome / response

- Cost to Municipality \$\$
- Integrity
- Significant delay to coastal management program [underfunded, inexperience, lack of insider knowledge, poor understanding of demographics/community issues]
- The Council CEO was directed to write to the QLD EPA to request whether a reef should form part of a future beach protection strategy for Palm
- Under direction, GCCM reviewed the PBPS in light of the independent review and prepared a report for GCCC.
  - Gap analysis of physical and socio-economic issues
  - Progression of a whole of council coastal planning strategy



# ICM / Adaptation Accounting

- Consistency
- Transparency
- (Social) limits to adaptation links between place, stewardship and specialisation
- Decision Support Systems
- Legacy built private, built public, natural,... but no history of social and cultural

# Pathways to adaptation (metrics)

- 1. Every community is special
- 2. Cheap and nasty gets you cheap and nasty [underfunding, inexperience, poor understanding of community]
- 3. Benefits of a partnership approach
- 4. Clear articulation of goals
- 5. Social and economic studies
- 6. Science to community
- 7. Professional development
- 8. Effective policy requires champions
- Persistence [purposeful and sustained effort, monitoring and evaluation, corporate knowledge]
- 10. Systems approach



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