



# Project Impacts

NSRC-FUNDED RESEARCH FINAL REPORT

## Vermont Genuine Progress Indicator Refined to Assess Benefits of Land Conservation

### The Economic Benefits of Conservation in Vermont



Vermont's economy is rooted in the land. Working forests and fields, wild streams, and parks form the foundation of our economy. Yet the perception that land conservation is incompatible with a vibrant economy is one of the greatest impediments to the mission of the Agency of Natural Resources' conservation efforts.

In Vermont, the land stewardship ethic is deep rooted, resulting in a resilient economy and a quality of life that is the envy of many states. Rather than hitching ourselves to the boom-and-bust economic cycle of other regions, Vermonters value wisdom over haste and restraint over excess. We serve as a national model by placing a high priority on the conservation of our natural heritage while maintaining a healthy economy.

#### PROJECT AWARD YEAR AND TITLE:

**2013**

*Forest Foundations of the Genuine Progress Indicator (GPI): Macroeconomic Policy and Planning for the Vermont Landscape*

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Vermont and other Northern Forest states are witnessing the first downturn in forest land cover since the recovery that began in the mid-1800s. The change is happening in part through fragmentation, affecting functioning and delivery of economic benefits from forest landscapes. To fully assess these benefits, policy-makers need new macroeconomic indicators that account for both the costs and benefits of forest land conversion.

At the same time, Vermont is leading the nation in the development, adoption, and implementation of new indicators that guide genuine economic progress. In the case of forest land use change, the market benefits of forestry and land conservation are not typically weighed against the non-market costs of loss of ecosystem services, depletion of renewable resource stocks, and longer-term impacts on forest productivity. To move towards full cost accounting and more informed policy making, the Genuine Progress Indicator (GPI) was developed at the national scale to measure the long-term, net benefits of economic activity, including forest land use and management.

NSRC researchers worked to advance the GPI at state scales by developing and extending a Vermont GPI to other states. This led to updates to the Vermont GPI, a detailed study for Massachusetts, and estimation and analysis of the first 50-state GPI study. Researchers also advanced forest-related sub-indicators within the GPI and applied forest ecosystems services assessments to Vermont. They built economic arguments for forest land conservation with the Vermont forest policy community through an initiative with the Vermont Agency of Natural Resources on the "Economics of Conservation" which supported state policy development on forest fragmentation.



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