### The Treadmill of Destruction and Ecological Exchange in Comparative Perspective: A Panel Study of the Biological Capacity of Nations, 1961-2007

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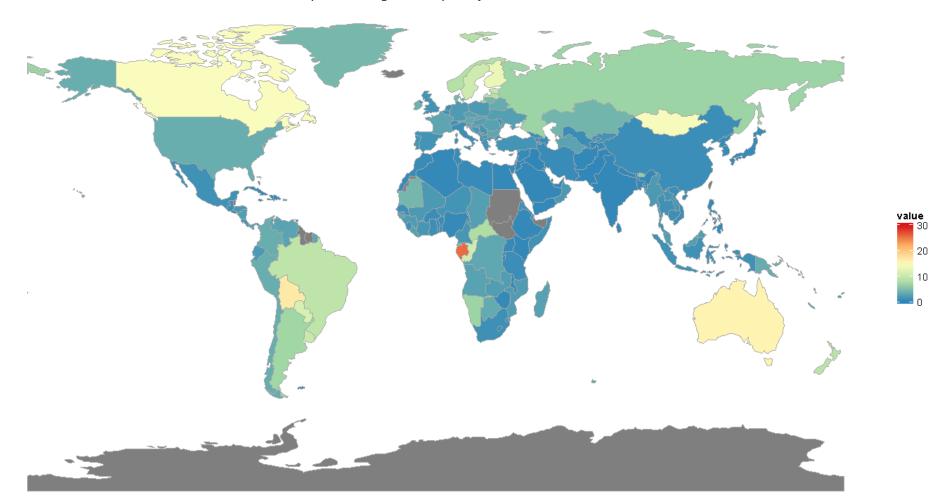
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#### What is Biological Capacity?

 <u>Biocapacity:</u> an estimate of the quantity of ecosystem resources utilized in the production (rather than consumption) of final goods and services.

Ecological Footprint = Biocapacity + Net Exports + Carbon Uptake Land

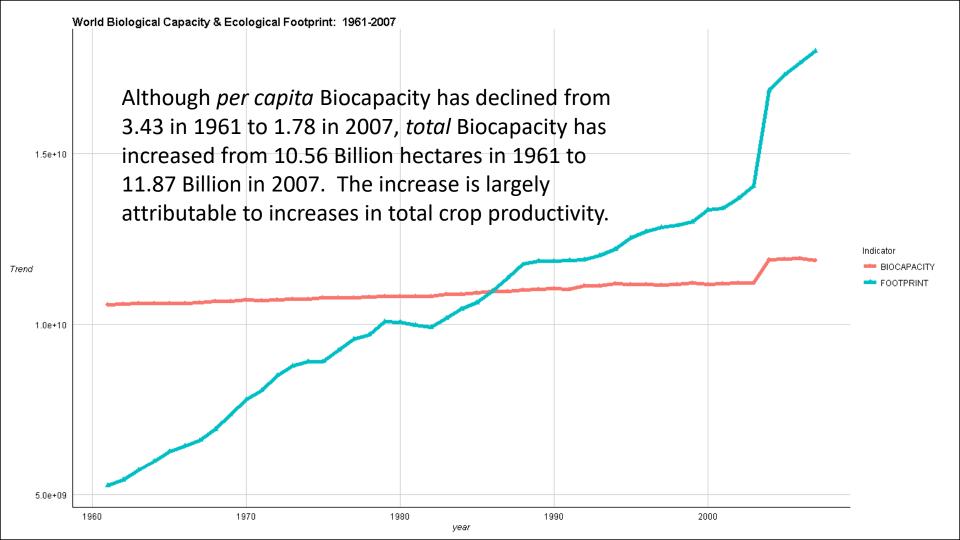
Per Capita Biological Capacity of Nations, 2011

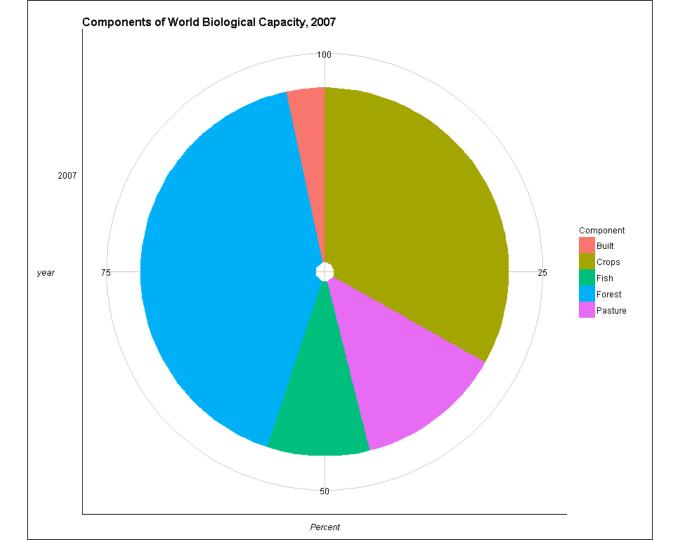


#### What is Biological Capacity *NOT*?

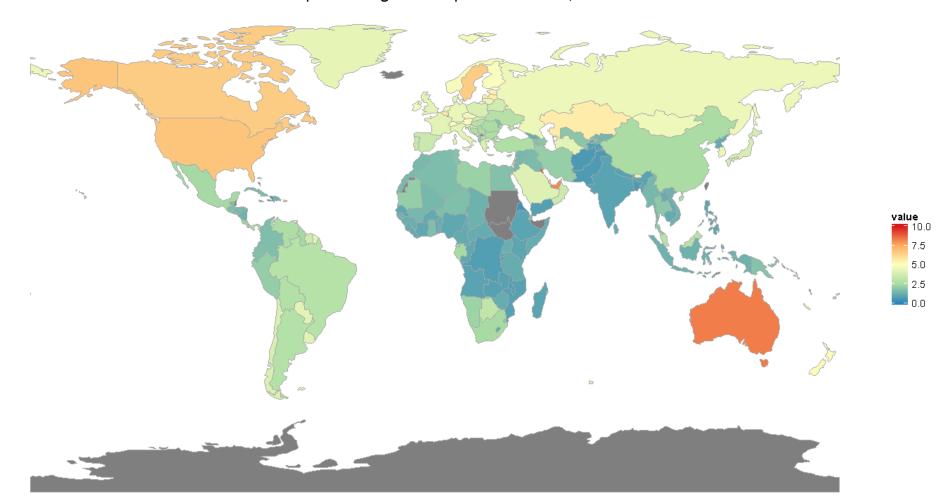
- Biocapacity is not a measure of capacity (or potential)
- Biocapacity does not quantitatively assess carrying capacity

   maximum pop. of a species that can be supported indefinitely (Catton, 1980).
  - Measurements of Biocapacity contain **no assumptions** about how productive lands could or should be used; instead estimates are derived exclusively from *actual*, measurable land area required in a given country in a given year to supply over 60 categories of commodities...
- IS BIOCAPACITY ONE PROXY MEASURE FOR BIOLOGICAL THROUGH-PUT?

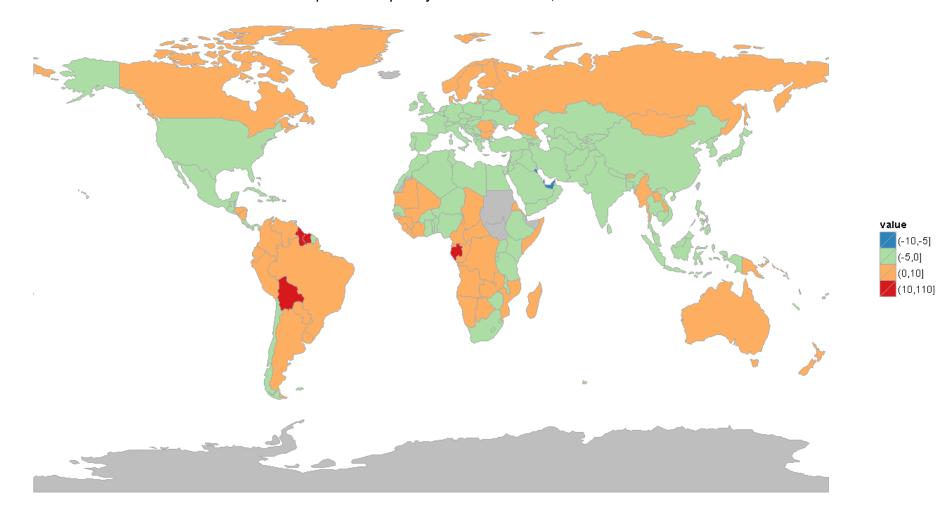


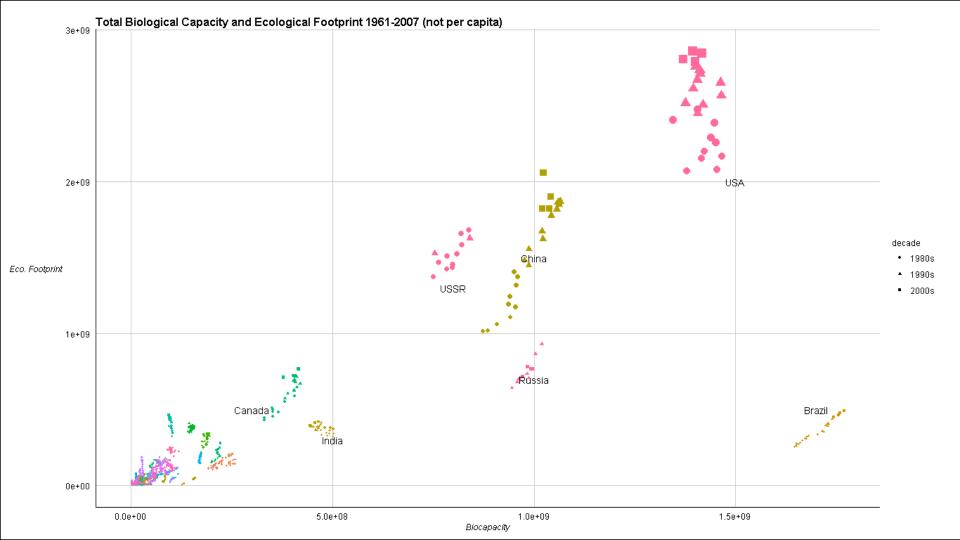


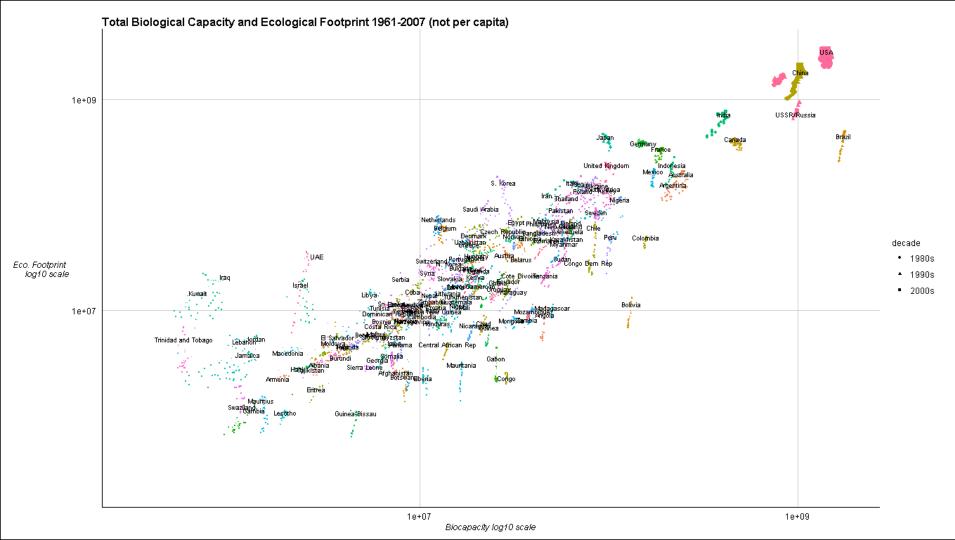
Per Capita Ecological Footprint of Nations, 2011

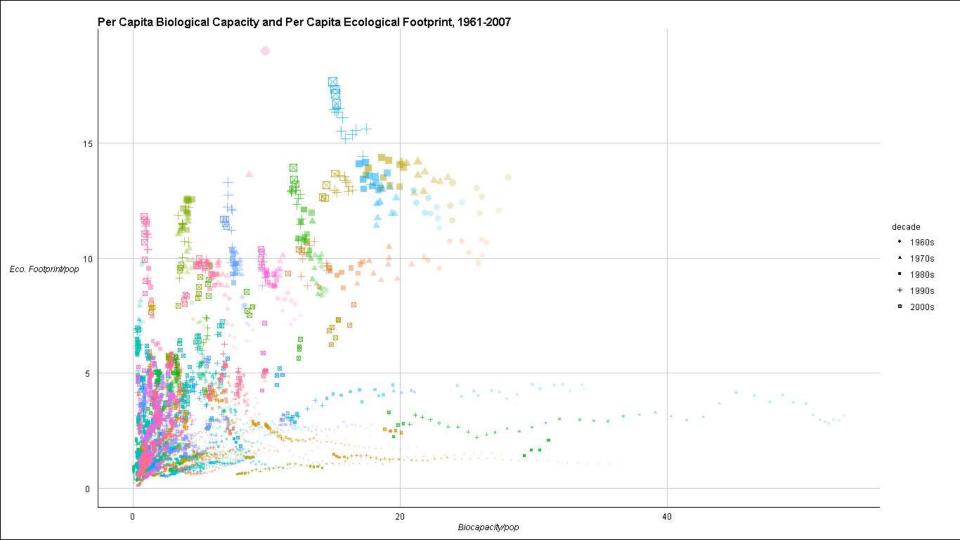


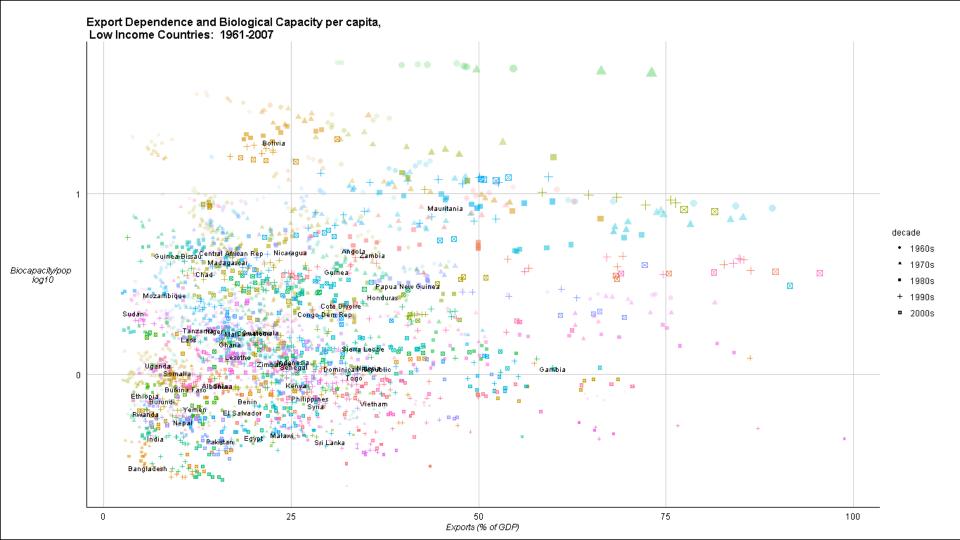
Per Capita Biocapacity Deficit/Reserve, 2011

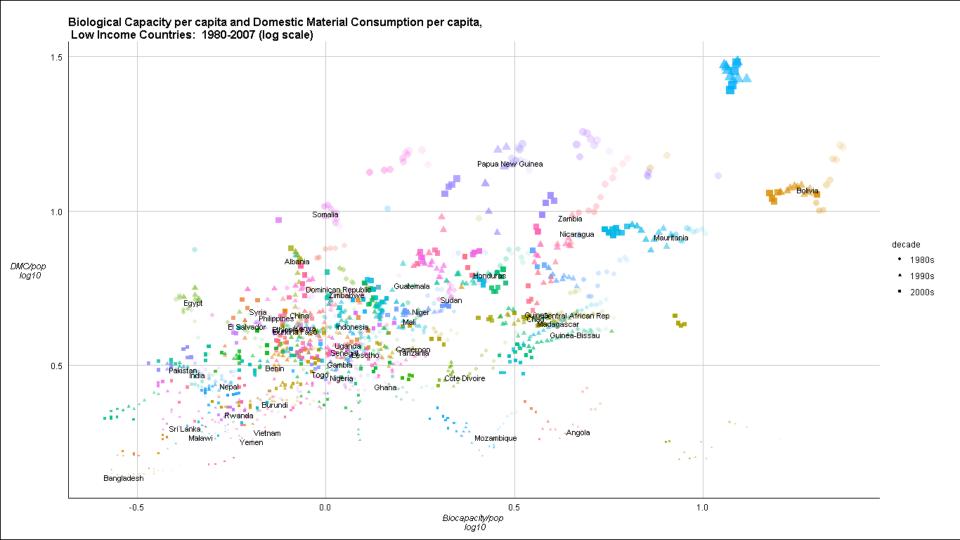


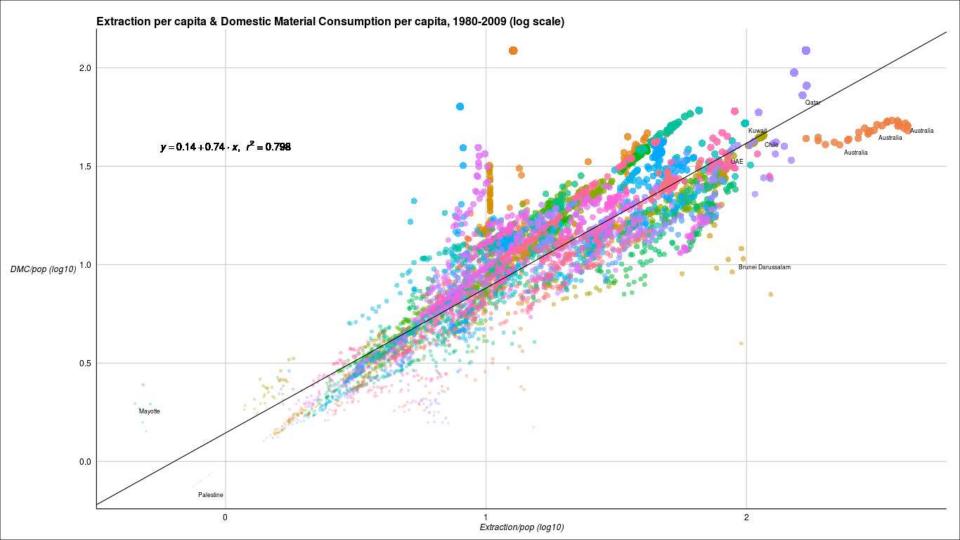


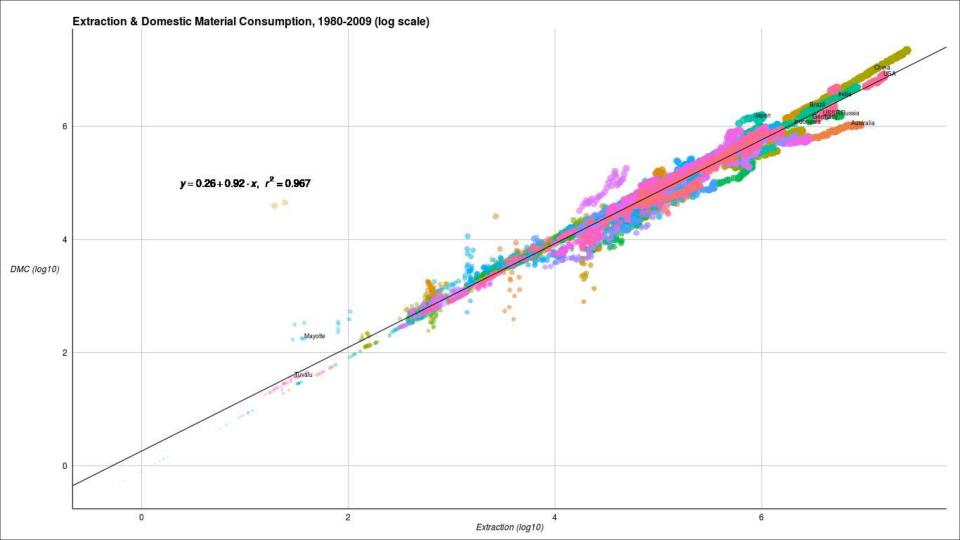












## How does Ecological Unequal Exchange Work?

- Do export dependent, low income countries consume fewer resources <u>because</u> they **export** away the resources they would have otherwise consumed?
- (Apparently, NO)

Table 2. Unstandardized Coefficients for the Regression of Per Capita Biological Capacity on Selected Predictor Variables: Fixed Effects and Prais-Winsten with panel-corrected standard errors (PCSEs) estimates, utilizing AR(1) correction for 142 countries, 1961-2007

| VARIABLES                   | (1)<br>Fixed Effects | (2)<br>Fixed Effects | (3)<br>PCSE | (4)<br>PCSE |
|-----------------------------|----------------------|----------------------|-------------|-------------|
|                             |                      |                      |             |             |
| Military expenditures (ln)  | -0.0153***           | -0.0154***           | -0.0388***  | -0.0374***  |
|                             | (0.00425)            | (0.00425)            | (0.00649)   | (0.00639)   |
|                             | [1.31]               | [1.32]               | [1.31]      | [1.32]      |
| War                         | -0.0146**            | -0.0174**            | -0.0168     | -0.0196     |
|                             | (0.00731)            | (0.00764)            | (0.0122)    | (0.0125)    |
|                             | [1.12]               | [1.16]               | [1.12]      | [1.16]      |
| GDP per capita (ln)         | 0.00658              | 0.00488              | 0.147***    | 0.146***    |
|                             | (0.0162)             | (0.0163)             | (0.0161)    | (0.0164)    |
|                             | [1.07]               | [1.07]               | [1.07]      | [1.07]      |
| GDP per capita squared (ln) | -1.723***            | -1.701***            | 1.725***    | 1.683***    |
|                             | (0.462)              | (0.464)              | (0.463)     | (0.470)     |
|                             | [1.09]               | [1.11]               | [1.09]      | [1.11]      |
| Exports (% of GDP) (ln)     | -0.0282***           | -0.0135              | -0.0245*    | -0.0102     |
|                             | (0.00952)            | (0.0118)             | (0.0139)    | (0.0169)    |
|                             | [1.16]               | [1.42]               | [1.16]      | [1.42]      |
| Urban population (ln)       | -0.494***            | -0.494***            | 0.0891      | 0.0858      |
|                             | (0.0452)             | (0.0454)             | (0.0609)    | (0.0612)    |
|                             | [1.17]               | [1.23]               | [1.17]      | [1.23]      |
| High Income x War           | (3) (5)              | 0.0345               |             | 0.0327      |
|                             |                      | (0.0259)             |             | (0.0328)    |
|                             |                      | [1.04]               |             | [1.04]      |
| Low income x Exports        |                      | -0.0422**            |             | -0.0405     |
|                             |                      | (0.0199)             |             | (0.0248)    |
|                             |                      | [1.38]               |             | [1.38]      |
| Constant                    | 0.677***             | 0.689***             | -0.362***   | -0.358**    |
|                             | (0.0218)             | (0.0217)             | (0.139)     | (0.141)     |
| Observations                | 4,722                | 4,722                | 4,865       | 4,865       |
| R-squared (overall)         | 0.0020               | 0.0026               | 0.153       | 0.152       |
| R-squared (within)          | 0.0380               | 0.0391               | 7           |             |
| R-squared (between)         | 0.0178               | 0.0196               | 30.22       | 10.22       |
| Number of id                | 142                  | 142                  | 143         | 143         |

Coefficients flagged for statistical significance. Standard errors in parentheses. Variance Inflation Factors are in italics and brackets. Two-tailed tests: \*\*\*\* p<0.01, \*\*\* p<0.05, \*\* p<0.1

- Negative Association between Biocapacity and Export Dependence, at least for Low Income Countries.
- This result is stable across multiple model specifications:
  - When analyzing within-country variation over time (Models 1-2), controlling for unobserved time-invariant factors.
  - When analyzing both within and betweencountry variation over time (Models 3-4), correcting for AR(1) disturbance and heteroskedasticity (cf. Jorgenson and Clark 2012)
  - We also conducted Random Effects
     Regression as well as a Regression on the
     'First-Differences' (of the standard
     deviations) of our independent variables...

Figure 4. Marginal effect of Exports on Biocapacity, conditional on GDP. Fixed Effects, Model 2

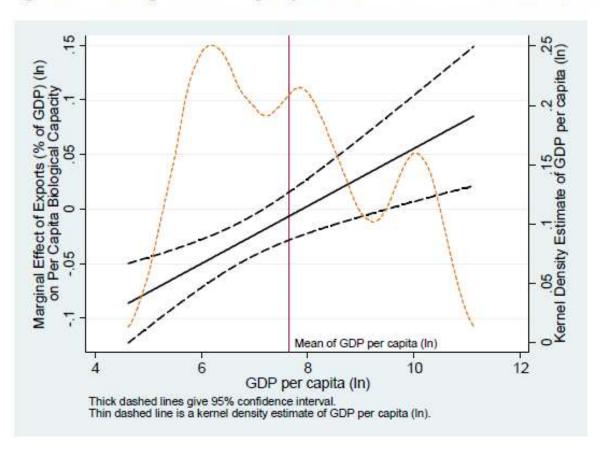
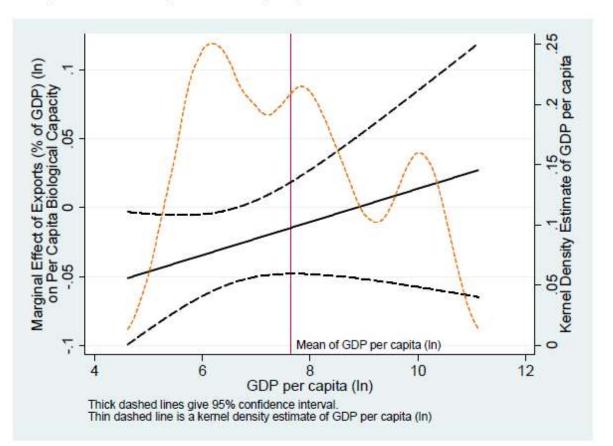


Figure 6. Marginal Effect of Exports on Biocapacity, conditional on GDP. Prais-Winsten, Model 4



# How does Ecological Unequal Exchange Work?

 Primary Finding: export-dependent, low income countries tend to consume fewer material resources (as measured by Biological Capacity) in large part because they produce, prior to exchange, relatively fewer domestic material resources to consume.