

A Hostile Takeover of Nature? Placing Value in Conservation Finance

Kelly Kay 

First published: 01 June 2017

<https://doi.org/10.1111/anti.12335>

Citations: 40

Abstract

Conservation finance is a nascent field that claims to “deliver maximum conservation impacts, while, at the same time, generating returns for investors” (Credit Suisse/WWF). While geographers have questioned the ability of conservation finance to play a significant role in international biodiversity conservation, an emerging cohort of boutique private equity firms are actively generating returns on North American conservation projects. This raises the question: how are these firms generating profits, and in turn, returns for their shareholders? Drawing from a Marxian understanding of finance as redistributive, I argue that these firms are generating profits through a process similar to a corporate hostile takeover. Using the examples of ranchland and timberland investment in the United States, I show that (1) the materialities and historical geographies of these landscapes play a crucial role their monetization, and (2) shareholder returns are generated through a combination of traditional real estate sales and revaluations, public monies, and commodity production.

References

Agrawal A (2005) *Environmentality: Technologies of Government and the Making of Subjects*. Durham: Duke University Press

 | [Google Scholar](#) |

Arrighi G (1994) *The Long 20th Century: Money, Power, and the Origins of Our Times*. London: Verso

 | [Google Scholar](#) |

Bakker K and Bridge G (2006) Material worlds? Resource geographies and the matter of nature. *Progress in Human Geography* 30(1): 5–27

 | [Web of Science®](#) | [Google Scholar](#) |

Benjaminsen T A and Bryceson I (2012) Conservation, green/blue grabbing and accumulation by dispossession in Tanzania. *Journal of Peasant Studies* 39(2): 335–355

Bhagat S, Schleifer A and Vishny R W (1990) " Hostile Takeovers in the 1980s: The Return to Corporate Specialization." Brookings Papers on Economic Activity. <https://www.brookings.edu/bpea-articles/hostile-takeovers-in-the-1980s-the-return-to-corporate-specialization/> (last accessed 14 March 2017)

[Google Scholar](#)

Binkley C S (2007) " The Rise and Fall of the Timber Investment Management Organizations: Ownership Changes in US Forestlands." 2007 Pinchot Distinguished Lecture 1, Pinchot Institute for Conservation. <https://www.pinchot.org/files/Binkley.DistinguishedLecture.2007.pdf> (last accessed 14 March 2017)

[Google Scholar](#)

Borras S M, Franco J C, Isakson S R, Levidow L and Vervest P (2016) The rise of flex crops and commodities: Implications for research. *Journal of Peasant Studies* 43(1): 93-115

[Web of Science®](#) | [Google Scholar](#)

Boyer R (2000) Is a finance-led growth regime a viable alternative to Fordism? A preliminary analysis. *Economy and Society* 29(1): 111-145

[Web of Science®](#) | [Google Scholar](#)

Bracking S (2015) Performativity in the Green Economy: How far does climate finance create a fictive economy? *Third World Quarterly* 36(12): 2337-2357

[Web of Science®](#) | [Google Scholar](#)

D Brockington and R Duffy (eds) (2011) *Capitalism and Conservation*. Oxford: Blackwell

[Google Scholar](#)

Büscher B, Sullivan S, Neves K, Igoe J and Brockington D (2012) Towards a synthesized critique of neoliberal biodiversity conservation. *Capitalism Nature Socialism* 23(2): 4-30

[Google Scholar](#)

Cassimon D, Prowse M and Essers D (2011) The pitfalls and potential of debt-for-nature swaps: A US-Indonesian case study. *Global Environmental Change* 21(1): 93-102

[Web of Science®](#) | [Google Scholar](#)

Christophers B (2009) On voodoo economics: Theorising relations of property, value, and contemporary capitalism. *Transactions of the Institute of British Geographers* 35(1): 94-108

[Web of Science®](#) | [Google Scholar](#)

Christophers B (2015) The limits to financialization. *Dialogues in Human Geography* 5(2): 183-200

[Web of Science®](#) | [Google Scholar](#)

Clark S (2012) *A Field Guide to Conservation Finance*. Washington, DC: Island Press

[Google Scholar](#)

Coase R (2013 [1960]) The problem of social cost. *The Journal of Law and Economics* 56(4): 837-877

[Web of Science®](#) | [Google Scholar](#)

Corson C, MacDonald K I and Neimark B (2013) Grabbing “green”: Markets, environmental governance and the materialization of natural capital. *Human Geography* 6(1): 1-15

[Google Scholar](#)

Costanza R, D'Arge R, De Groot R et al. (1997) The value of the world's ecosystem services and natural capital. *Nature* 387: 253-260

[CAS](#) | [Web of Science®](#) | [Google Scholar](#)

Cronon W (2009) *Nature's metropolis: Chicago and the Great West*. New York: WW Norton & Company

[Google Scholar](#)

Darling E (2005) The city in the country: Wilderness gentrification and the rent gap. *Environment and Planning A* 37(6): 1015-1032

[Web of Science®](#) | [Google Scholar](#)

Dempsey J and Suarez D C (2016) Arrested development? The promises and paradoxes of “selling nature to save it”. *Annals of the American Association of Geographers* 106(3): 653-671

[Web of Science®](#) | [Google Scholar](#)

De Soto H (2000) *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else*. New York: Basic Books

[Google Scholar](#)

Doyle M W, Singh J, Lave R and Robertson M M (2015) The morphology of streams restored for market and nonmarket purposes: Insights from a mixed natural-social science approach. *Water Resources Research* 51(7): 5603-5622

[Web of Science®](#) | [Google Scholar](#)

G A Epstein (ed) (2005) *Financialization and the World Economy*. London: Edward Elgar

[Google Scholar](#)

Fairbairn M (2014) "Like gold with yield": Evolving intersections between farmland and finance. *Journal of Peasant Studies* 41(5): 777-795

[Web of Science®](#) | [Google Scholar](#)

Fairhead J, Leach M and Scoones I (2012). Green grabbing: A new appropriation of nature? *Journal of Peasant Studies* 39(2): 237-261

[Web of Science®](#) | [Google Scholar](#)

Fernholz K, Bowyer J and Howe J (2007) "TIMOs and REITs: What, Why, and How They Might Impact Sustainable Forestry?" Dovetail Partners Inc. http://www.dovetailinc.org/report_pdfs/2007/dovetailmoreit0507wo-1.pdf (last accessed 14 March 2017)

[Google Scholar](#)

French S, Leyshon A and Wainwright T (2011) Financializing space, spacing financialization. *Progress in Human Geography* 35(6): 798-819

[Web of Science®](#) | [Google Scholar](#)

Froud J, Haslam C, Johal S and Williams K (2000) Restructuring for shareholder value and its implications for labour. *Cambridge Journal of Economics* 24(6): 771-797

[Web of Science®](#) | [Google Scholar](#)

Gabriel S (2001) Oliver Stone's *Wall Street* and the market for corporate control. *Economics in Popular Film* 21 November. https://www.mtholyoke.edu/courses/sgabriel/filmcourse/oliver_stone.html (last accessed 14 March 2017)

[Google Scholar](#)

GIIN (2015) "About Impact Investing." Global Impact Investing Network. <http://www.thegiin.org/cgi-bin/iowa/resources/about/index.html> (last accessed 14 March 2017)

[Google Scholar](#)

Gotham K F (2006) The secondary circuit of capital reconsidered: Globalization and the US real estate sector. *American Journal of Sociology* 112(1): 231-275

[Web of Science®](#) | [Google Scholar](#)

Gunnoe A (2014) The political economy of institutional landownership: Neorentier society and the financialization of land. *Rural Sociology* 79(4): 478–504

[Web of Science®](#) | [Google Scholar](#)

Gunnoe A and Gellert P K (2011) Financialization, shareholder value, and the transformation of timberland ownership in the US. *Critical Sociology* 37(3): 265–284

[Google Scholar](#)

Hall S (2012). Geographies of money and finance II: Financialization and financial subjects. *Progress in Human Geography* 36(3): 403–411

[Web of Science®](#) | [Google Scholar](#)

Harvey D (1982) *The Limits to Capital*. Oxford: Basil Blackwell

[Google Scholar](#)

Huwylar F, Kaepelli J, Serafimova K, Swanson E and Tobin J (2014a) “ Conservation Finance: Moving Beyond Donor Funding to an Investor-Driven Approach.” Credit Suisse, Worldwide Fund for Nature, and McKinsey and Company. <https://www.cbd.int/financial/privatesector/g-private-wwf.pdf> (last accessed 14 March 2017)

[Google Scholar](#)

Huwylar F, Kaepelli J, Serafimova K, Swanson E and Tobin J (2014b) Making conservation finance investable. *Stanford Social Innovation Review* 21 January. http://www.ssireview.org/up_for_debate/article/making_conservation_finance_investable (last accessed 14 March 2017)

[Google Scholar](#)

Impact Alpha (2014) Beartooth Capital: Conserving wide open spaces. 19 September. <http://impactalpha.com/p1120/> (last accessed 14 March 2017)

[Google Scholar](#)

Judd R (2000) *Common Lands, Common People: The Origins of Conservation in Northern New England*. Cambridge: Harvard University Press

[Google Scholar](#)

Kay K (2016) Breaking the bundle of rights: Conservation easements and the legal geographies of individuating nature. *Environment and Planning A* 48(3): 504–522

[Web of Science®](#) | [Google Scholar](#)

Knuth S E (2015) Global finance and the land grab: Mapping 21st century strategies. *Canadian Journal of Development Studies/Revue canadienne d'études du développement* 36(2): 163-178

[Google Scholar](#)

Krippner G R (2011) *Capitalizing on Crisis*. Cambridge: Harvard University Press

[Google Scholar](#)

Labban M (2010) Oil in parallax: Scarcity, markets, and the financialization of accumulation. *Geoforum* 41(4): 541-552

[Web of Science®](#) | [Google Scholar](#)

Langley P (2006) The making of investor subjects in Anglo-American pensions. *Environment and Planning D: Society and Space* 24(6): 919-934

[Web of Science®](#) | [Google Scholar](#)

Lave R (2012) *Fields and Streams: Stream Restoration, Neoliberalism, and the Future of Environmental Science*. Athens: University of Georgia Press

[Google Scholar](#)

Lave R, Doyle M and Robertson M (2010) Privatizing stream restoration in the US. *Social Studies of Science* 40(5): 677-703

[Web of Science®](#) | [Google Scholar](#)

Lazonick W and O'Sullivan M (2000) Maximizing shareholder value: A new ideology for corporate governance. *Economy and Society* 29(1): 13-35

[Web of Science®](#) | [Google Scholar](#)

Loftus A and March H (2015) Financialising nature? *Geoforum* 60: 172-175

[Web of Science®](#) | [Google Scholar](#)

Lyme Timber (2017) " Overview." <http://www.lymetimber.com/about-us.html> (last accessed 3 May 2017)

[Google Scholar](#)

Martin J D and Petty J W (2001) *Value Based Management: The Corporate Response to the Shareholder Revolution*. Oxford: Oxford University Press

[Google Scholar](#)

Martin R (2002) *Financialization of Daily Life*. Philadelphia: Temple University Press

[Google Scholar](#)

Marx K (1991) *Capital: A Critique of Political Economy*, Volume 3. New York: Penguin Classics

[Google Scholar](#)

Max S (2013) Restoring ranch land for profit, and a “trout dividend”. *The New York Times* 26 December. <http://dealbook.nytimes.com/2013/12/26/restoring-ranch-land-for-a-profit-and-a-trout-dividend/> (last accessed 14 March 2017)

[Google Scholar](#)

Millennium Ecosystem Assessment (2005) *Millennium Ecosystem Assessment: Ecosystems and Human Well-Being*. Washington DC: World Resources Institute

[Google Scholar](#)

Morris A W (2008) Easing conservation? Conservation easements, public accountability and neoliberalism. *Geoforum* 39(3): 1215–1227

[Web of Science®](#) | [Google Scholar](#)

Nash R F (2014) *Wilderness and the American Mind*. New Haven: Yale University Press

[Google Scholar](#)

NatureVest & EKO Asset Management Partners (2014) “ Investing in Conservation: A Landscape Assessment of an Emerging Market.” JPMorgan Chase, the Nature Conservancy, the Gordon and Betty Moore Foundation, and the David and Lucile Packard Foundation. http://www.naturevestnc.org/pdf/InvestingInConservation_Report.pdf (last accessed 14 March 2017)

[Google Scholar](#)

Ouma S (2014) Situating global finance in the land rush debate: A critical review. *Geoforum* 57: 162–166

[Web of Science®](#) | [Google Scholar](#)

Pike A and Pollard J (2010) Economic geographies of financialization. *Economic Geography* 86(1): 29–51

[Web of Science®](#) | [Google Scholar](#)

Polanyi K (2001 [1957]) *The Great Transformation: The Political and Economic Origins of Our Time*. Boston: Beacon

[Google Scholar](#)

Robertson M, BenDor T K, Lave R, Riggsbee A, Ruhl J B and Doyle M (2014) Stacking ecosystem services. *Frontiers in Ecology and the Environment* 12(3): 186–193

[Web of Science®](#) | [Google Scholar](#)

Sayre N F (2006) *Ranching, Endangered Species, and Urbanization in the Southwest: Species of Capital*. Tucson: University of Arizona Press

[Google Scholar](#)

Smith N (1996) *The New Urban Frontier: Gentrification and the Revanchist City*. New York: Routledge

[Google Scholar](#)

Sporting Ranch Capital (2016) “ Investment Strategy.” <http://sportingranchcapital.com/investment-strategy/> (last accessed 14 March 2017)

[Google Scholar](#)

Stein P (2010) Conservation easements. *Silviculture Magazine* Winter:6–8. <http://www.silviculturemagazine.com/sites/default/files/sites/silviculturemagazine.com/files/issues/2011062309/winter2010.pdf> (last accessed 14 March 2017)

[Google Scholar](#)

Sullivan S (2013) Banking nature? The spectacular financialisation of environmental conservation. *Antipode* 45(1): 198–217

[Web of Science®](#) | [Google Scholar](#)

TEEB (2010) “ The Economics of Ecosystems and Biodiversity: Mainstreaming the Economics of Nature: A Synthesis of the Approach, Conclusions and Recommendations of TEEB.” <http://www.teebweb.org/TEEBSynthesisReport/tabid/29410/Default.aspx> (last accessed 3 May 2017)

[Google Scholar](#)

TNC (2015) “ Private Lands Conservation.” The Nature Conservancy. <http://www.nature.org/about-us/private-lands-conservation/> (last accessed 14 March 2017)

[Google Scholar](#)

Turner FJ (1920) *The Frontier in American History*. New York: Henry Holt & Co

[Google Scholar](#)

Walker P and Fortmann L (2003) Whose landscape? A political ecology of the “exurban” Sierra. *Cultural Geographies* 10(4): 469–491

[Web of Science®](#) | [Google Scholar](#)

West P (2006) *Conservation Is Our Government Now: The Politics of Ecology in Papua New Guinea*. Durham: Duke University Press

[Google Scholar](#)

Willow A J (2015) The shifting topology of environmentalism: Human–environment relationships and conceptual trends in two North American organizational histories. *Nature and Culture* 10(2): 157–177

[Web of Science®](#) | [Google Scholar](#)

Zonana V F (1985) Crown Zellerbach ends fight with Goldsmith, names him Chairman. *Los Angeles Times* 26 July. http://articles.latimes.com/1985-07-26/business/fi-5186_1_crown-zellerbach (last accessed 14 March 2017)

[Google Scholar](#)

Citing Literature



[Download PDF](#)

ABOUT WILEY ONLINE LIBRARY

[Privacy Policy](#)

[Terms of Use](#)

[About Cookies](#)

[Manage Cookies](#)

[Accessibility](#)

[Wiley Research DE&I Statement and Publishing Policies](#)

[Developing World Access](#)

HELP & SUPPORT

[Contact Us](#)

[Training and Support](#)

[DMCA & Reporting Piracy](#)

OPPORTUNITIES

[Subscription Agents](#)

CONNECT WITH WILEY

The Wiley Network

Wiley Press Room

Copyright © 1999-2024 John Wiley & Sons, Inc or related companies. All rights reserved, including rights for text and data mining and training of artificial intelligence technologies or similar technologies.

WILEY