

A Hostile Takeover of Nature? Placing Value in Conservation Finance

Kelly Kay 

First published: 01 June 2017

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



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](#) 

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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

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

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

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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](#)

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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/iow/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

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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](#) 

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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. [htt](#)

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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](#)

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)

Manage Preferences

Accept All

Reject Non-Essential

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 F J (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](#) 

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#) 

Manage Preferences

Accept All

Reject Non-Essential

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)

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](#)

HELP & SUPPORT

[Contact Us](#)

[Training and Support](#)

[DMCA & Reporting Piracy](#)

[Sitemap](#)

OPPORTUNITIES

[Subscription Agents](#)

[Advertisers & Corporate Partners](#)

CONNECT WITH WILEY

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)



[Manage Preferences](#)

[Accept All](#)

[Reject Non-Essential](#)

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. You may change your settings at any time or accept the default settings. You may close this banner to continue with only essential cookies. [Privacy Policy](#)



Manage Preferences

Accept All

Reject Non-Essential