

## Economics and ecology

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Economics and ecology are often presented as opposed disciplines. Both fields have strengths and weaknesses. A new trans-disciplinary field, ecological economics, attempts to bring together the strengths of both disciplines with a vision for a sustainable future. Economics and ecology often receive two different responses from natural resources professionals. Economics, which deals with the allocation of scarce human-made and natural resources is viewed unfavorably by many who are concerned about effects of society on the environment and natural resources. Ecology, which deals with nature's allocation of scarce resources, is more often viewed in a favorable light. Economics is burdened, in particular, by a misperception that is synonymous with finance. That is, financial decisions are confused with the much broader equity and efficiency concerns that provide theoretical underpinning for economics. For many years, resource economists have addressed natural resource and environmental issues in theory and in practice.

Ecological economics is a trans-disciplinary field that focuses on the tree linked goals of sustainability, fairness in distribution and efficiency of allocation. As a result, ecological economists have more interest in a vision of the future, methods for analyzing problems in new ways, and institutions and instruments that are needed to implement this vision.

The vision includes recognition that: (1) our planet is essentially a closed system in which our societies are subsystems; (2) a sustainable future exist for all species that is constrained by the global ecosystem; (3) we should be cautious and humble, given the many uncertainties that exist; and (4) our policies must become more proactive, with clearer thought about the interrelationships of the earth's subsystems. Neither economists nor ecologist were adequately addressing this vision and new integrated approach is required. The vision is ambitious, and several aspects may be very difficult to achieve. Nonetheless, we can move forward in other cases.

Specifically, a more formal recognition of the role of the national capital and its relationship to sustainability is needed. In the case of boreal forests, the stocks and flows of forest resources can be assessed to determine prospects for sustainability. The relationship between economic activity and the ecosystem is particularly clear in the management of renewable resources. The ecologist must realize that it is impossible to stop economic development, and the economists must realize that environmental changes are not just irritating externalities. The environment is not an externality, it is the system within which we operate.