

The Green Illusion: How the Monetisation of Biodiversity Creates a Trap for Nature and Humanity

~ Adrian Hudson



As we approach the halfway mark of 2026, the global response to the accelerating sixth mass extinction event has increasingly pivoted toward a singular, technocratic, and economic solution: the monetisation of biodiversity. The core assumption of this paradigm is that biodiversity loss occurs because nature is treated as a free good, a market failure that can be corrected by internalising externalities. Under the banner of nature-positive systems, biodiversity offsets, credits, and banking seek to put a price on ecosystem services, aiming to reconcile conservation with economic growth.

However, this approach is a perilous trap. By converting complex ecological processes into commensurable financial assets—biodiversity units—we are not saving nature; we are merely allowing its degradation to be accounted for in corporate balance sheets. This essay argues that monetising biodiversity is a conceptual, social, and ecological trap that accelerates the commodification of life, encourages the destruction of ecosystems under the guise of net gain, undermines the rights of indigenous communities, and perpetuates the same economic logic that caused the crisis in the first place.



The conceptual trap: The incommensurability of nature

The first and most fundamental trap of monetising biodiversity lies in the assumption that nature can be reduced to a unit of exchange. This is a form of neoliberal conservation, where ecological value is replaced by monetary value, making ecosystems interchangeable assets.

The **Illusion** of Interchangeability

Biodiversity is complex, functional, and deeply contextual. A hectare of ancient forest in the Congo Basin or Amazon is not merely a carbon-storing unit equivalent to a hectare of newly planted mono-culture pine in Indonesia, yet market mechanisms frequently treat them as such. This reframes nature in terms of isolated biodiversity units that can be simply defined, measured and exchanged across time and space. When we commodify biodiversity, we lose the qualitative specificity of place—the unique cultural and ecological relationships that define it.



The problem of Value

Monetary valuation, such as that promoted by the World Economic Forum, claims to raise awareness by quantifying nature's contributions. However, it inevitably leads to better than nothing conservation, where nature is conserved only if it shows a positive cost-benefit ratio. When biodiversity is priced, anything deemed less valuable than development is sacrificed. This method fails to account for intrinsic values, spiritual connections, or the ecological tipping points that, once crossed, make restoration impossible.

The **ecological trap**: No net loss as a license to destroy

The most significant operational trap is the biodiversity offset mechanism. Biodiversity offsets are, in essence, a mechanism where environmental losses are traded for restoration gains. This allows corporations to destroy biodiversity at a development site, provided they pay for equivalent gains elsewhere.

Greenwashing and the license to degrade or destroy

These schemes frequently serve as a licence to degrade or destroy biodiversity in exchange for uncertain, long-term environmental gains. The promise of no net loss or net gain is often an illusion, as the biodiversity offset method struggles with basic ecological realities. The destruction of an established, functioning ecosystem is often immediate, while the purported offset—such as a restored wetland—may take decades to develop, or fail entirely.

Delaying genuine action

Like carbon offsetting, biodiversity offsetting serves to delay the necessary systemic changes required to combat the root causes of biodiversity decline. Instead of avoiding destruction, companies are encouraged to offset it, offering a temporary fix rather than a long-term solution.

The social and ethical trap: The commodification of life

The monetisation of biodiversity is not a neutral technocratic fix. It is a political process that redistributes power and resources, often at the expense of local communities and indigenous peoples.

Land grabs and inequality

Biodiversity credits are often sourced from the Global South, where land is perceived as sterilised or undervalued by financial actors. This leads to a green grab, where indigenous lands are enclosed and managed for international biodiversity markets, restricting local access to resources that communities have relied on for generations.

The erosion of traditional knowledge

The neoliberalisation of conservation favours formal, scientific metrics over traditional, land-based knowledge. When biodiversity is transformed into a unit, the people who know it best—the local stewards—are rendered invisible in favour of international consultants and auditors.

The economic trap: Perpetuating the system that destroys

Perhaps the ultimate trap is that the monetisation of biodiversity requires the expansion of the same economic system that caused the crisis.

Reliance on economic growth

Monetisation does not challenge the imperative for relentless economic growth; it simply tries to make that growth green. It assumes that if we assign a price to a bird or a forest, the market will magically protect it. This is a fundamental misunderstanding of the market, which operates for profit, not ecological integrity.

The commodification of risk

As argued by figures such as Joseph Stiglitz, there is a push to price biodiversity risk. However, this leads to the commodification of nature, turning biodiversity into a speculative asset class. The green trap of debt for nature swaps means that developing nations become trapped in financial arrangements that prioritise the repayment of debt via the production of ecological credits, rather than the intrinsic protection of their own ecosystems.



Conclusion: Breaking the trap

The push to monetise biodiversity is not the solution to the environmental crisis; it is an escalation of the mindset that created it. By treating nature as a commodity, we are reducing its capacity to support life and ignoring its intrinsic worth. The traps of biodiversity offsetting, commodification, and the commodification of nature are not merely flaws in implementation; they are inherent in the logic of putting a price on nature.

Breaking this trap requires:

- 1. Prioritising avoidance:** Strict regulations that prevent destruction in the first place, rather than allowing for compensation.
- 2. Recognising rights:** Supporting indigenous peoples' land tenure and community-based conservation, rather than top-down green markets.
- 3. Moving beyond net calculations:** Moving beyond no net loss to genuine, absolute conservation of remaining biodiversity, respecting the integrity of ecosystems.

The true value of nature cannot be calculated in currency. It is time to treat biodiversity not as a capital asset, but as the foundation of life itself.

How AESG can help



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Adrian holds a Master of Science in Ecology from North West University in South Africa and is a registered professional natural scientist in both South Africa and the UAE. He is also an active contributor to the scientific and academic community—serving as a peer reviewer for internationally accredited journals, publishing scientific articles, and supervising postgraduate students at universities such as North West University and Stellenbosch University. In addition to his technical and project management expertise, Adrian has been involved in environmental policy development and planning for over a decade, offering both strategic and technical input on a range of conservation and sustainability initiatives.

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