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services: underlying challenges

2.1. Valuation of ecosystem services

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## Abstract

Valuation of ecosystems services has been a challenging issue for economists. There is a growing concern to capture the total and incremental changes in services of different types of ecosystems, mainly, due to perturbations arising from anthropogenic activities. Market-based valuation techniques have long been declared inadequate and a constructed market method such as the contingent valuation method albeit a robust tool does not seem to capture the expanse, nuances, and intricacies of many of the ecosystem services. The paper attempts to address the lacunae in valuation of ecosystem services from a psychological perspective by arguing that the common person's perception of the ecosystem is quite different from what is conceptualized by conventional economists. The paper shows how the ecological identity of individuals is revealed at various levels of the decision-making hierarchy that is, from local to regional and further onto a global level. The paper builds upon insights from psychoanalytic psychology and environmental-psychology. Further, it outlines recent research findings from experimental psychology to redefine concepts such as ecological identity, self-other dichotomy, and the fostering of identification with nature, as issues that must be embraced in the valuation of ecosystem services. Extending the idea of relational goods and reciprocity, the paper offers a deconstructed view of market forces and furthers the idea of interdisciplinary collaboration and cooperation in the valuation of ecosystem services. In this perspective the dichotomy and schism between markets, missing markets and non-markets, gets renovated and reconstructed beyond a utilitarian discourse.

## Keywords

Ecosystem services; Valuation; Methodological pluralism; Ecological identity; Psychoanalysis

Figures and tables from this article: