Wealthy white homeowners more likely to see financial benefits from land conservation, study shows

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Land conservation projects do more than preserve open space and natural ecosystems. They can also boost property values for homeowners

living nearby. But a new study finds that those financial benefits are unequally distributed among demographic groups in the U.S.

The study, by researchers from the University of Rhode Island and University of Illinois Urbana-Champaign, found that new housing wealth associated with land conservation goes disproportionately to people who are wealthy and white. In the state of Massachusetts, for example, white households in the top wealth quartile received 43% of the roughly $63 million housing wealth generated by new conservation from 1998 to 2016. That's 140% more than would be expected under an equal demographic distribution, the researchers found. The trends found in Massachusetts hold generally over the rest of the U.S., the study showed.

"There's a lot of economic inequality in the U.S. and we show that, unfortunately, conservation is adding to that," said Corey Lang, a professor of environmental and natural resource economics at URI and a study co-author. "That's not to say that conservation is bad, or that we shouldn't do it. Our primary purpose with this study was to document these disparities, and hopefully spark some debate about it."

The findings are published in the *Proceedings of the National Academy of Sciences*.

The U.S. Forest Service estimates that about 6,000 acres of open space in the U.S. are cleared for development each day. But across the nation, organizations like municipal land trusts are working to set aside land, protecting it from future development in perpetuity. Over the past 35 years, over $80 billion in conservation funding has been approved by municipal referenda across the U.S., the researchers say.

Those conservation efforts produce amenities that are attractive to homeowners. Conserved land provides peace and quiet, beautiful views, and recreation opportunities that are guaranteed for the foreseeable

future. The value of those amenities is reflected in higher property values for people living in the vicinity.

"Economists have studied this for a long time as a means of understanding how people value land conservation efforts, which can be fed into a cost-benefit analysis to see if new conservation efforts are justified," Lang said. "We take a different approach in that we look at which homeowners are more likely to receive that bump in equity."

To do that, the researchers looked at detailed conservation records and anonymized demographic data for homeowners in Massachusetts. The team used an econometric model to estimate the extent to which land conserved between 1998 to 2016 added to the value of properties within a quarter mile of conservation areas. They found that each acre of conserved land increases the value of nearby homes by 0.018%. That means that a median-priced Massachusetts home located near 10 acres of conserved land gets a bump in value of around $659. That translates into roughly $62 million in conservation-related property wealth gains over the study period.

Looking at the demographic breakdown of the homeowners who received that new wealth, the researchers found that 91% went to white homeowners, and 40% went to households in the highest wealth quartile. Roughly 43% went to households that were both white and in the highest wealth category—140% more than would be expected under an equal demographic distribution. In stark contrast, Black and Hispanic households in the lowest wealth quartile received only 6% of the benefits that would be expected under an equal distribution.

The results aren't necessarily attributable to any active or implicit discrimination on the part of conservation groups, the researchers say. The results can be shaped, for example, by several factors that yield patterns in where people live—with Black, Hispanic, and Asian

households being less likely to own homes near conservation areas. Those patterns can emerge from racial and ethnic patterns of urban versus rural living in the state, and a paucity of conservable land in urban areas. There are also longstanding racial gaps in overall home ownership.

Though the highly detailed data available for Massachusetts simply isn't available for the rest of the U.S., the team performed an additional study to see if the Massachusetts trends likely hold across the country. They found that of the $9.8 billion in property wealth generated by conservation from 2001 to 2009 nationwide, 89% went to white households, 9% to Black and Hispanic households and 2% to Asian households.

"Economists have done a lot to document disparities in exposure to pollution, but we know much less about equity in the distribution of the benefits from investments in valuable nature conservation," said Amy Ando, a study co-author who is a professor of environmental and natural resource economics at UIUC and University Fellow at the non-profit Resources for the Future. "These findings make clear there can be large environmental justice issues in who gains from the environmental goods we provide and protect, and may serve as a call for more research identifying other such inequities."

Taken together, the researchers say, the results show that land conservation plays a role in maintaining wealth disparities across the U.S. While the researchers say they firmly advocate for land conservation efforts to continue, they don't advocate any particular policy interventions to address the resulting inequity. They hope that the findings will broaden the conversation about land preservation to include issues related to distributional concerns.

"I think more can be done to bring different groups to the table when decisions are made," Lang said. "Making sure there's a diversity of

voices involved in these decisions is at least a start in addressing the problem that we've been able to document in this study."

More information: Corey Lang et al, Distribution of capitalized benefits from land conservation, *Proceedings of the National Academy of Sciences* (2023). DOI: 10.1073/pnas.2215262120

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