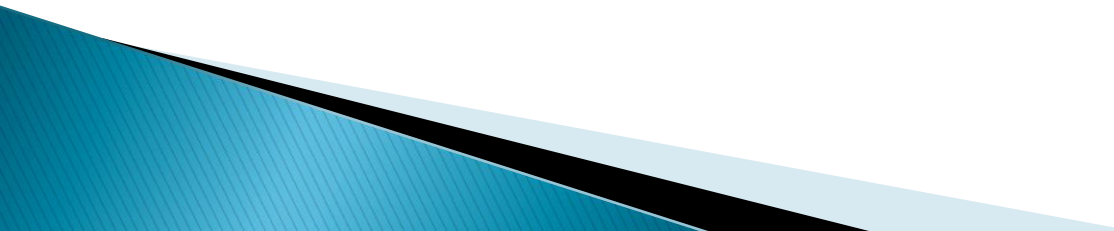


Demand Side Management: Live and Dead Tigers

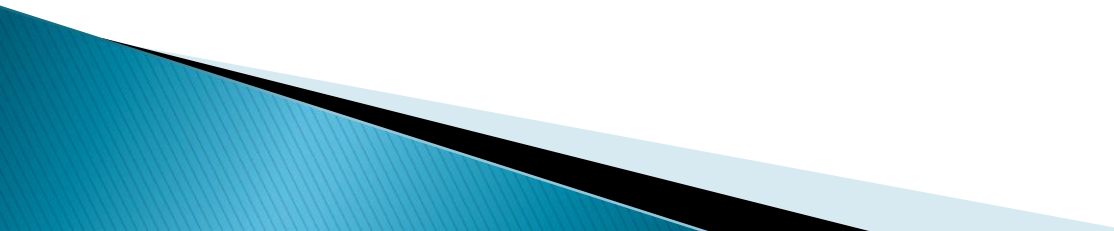
Richard Damania

Themes

- ▶ Demand for live wild tigers
 - Desirable and addressed to some extent in earlier sessions
 - ▶ Demand for dead wild tigers
 - Focus of discussion
 - How demand fuels poaching
 - Arguments for and against farming tigers as a conservation strategy
 - What needs to be done?
- 

Demand for Dead Tigers: Typology of Demand

- ▶ Skins –display and clothing
 - Evidence of fakes, a niche market. In Europe strong social stigma led by animal rights groups. In Tibet latent demand, but controllable. **Moderate concern.**
- ▶ Medicinal Products
 - Includes tonics and every single part of animal used. Penis, bones, organs, claws, eyes..... Of course there are fakes and extremely hard to detect real from counterfeit without expensive testing. **High concern**

- ▶ Demand for meat
 - A niche market that is being cultivated illegally by entrepreneurs. Covert and hard to authenticate. More a localized issue and concern but signs of it spreading through E Asia. **Low – Moderate Concern**
 - ▶ Live animals
 - Low concern given the ample and excess supply of zoo bred tigers of every kind and sub – species!!
- 

Supply Side Arguments for Tiger Farming

- ▶ Demand for tiger parts has fueled and sustains a poaching industry and illegal trade chain.
- ▶ **Argument:**
 - 1. Flood the market with farmed tigers**
 - 2. Price of tiger parts will collapse**
 - 3. Poaching wild tigers will no longer be profitable**
- ▶ **In sum flood the market with a substitute product and incentives (prices) will do the rest!**

Great idea – uses very simple economics, but will it work?

- ▶ Consider some examples:
 - Bear bile farmed and wild. In fact there is a surplus of farmed bile and yet there is poaching of wild bears?
- ▶ Why?
 - **Strong preference for the “wild thing”**
 - There is evidence that the same applies to tigers. Beliefs that wild products (like organic foods?) are more potent .

The economics has a problem

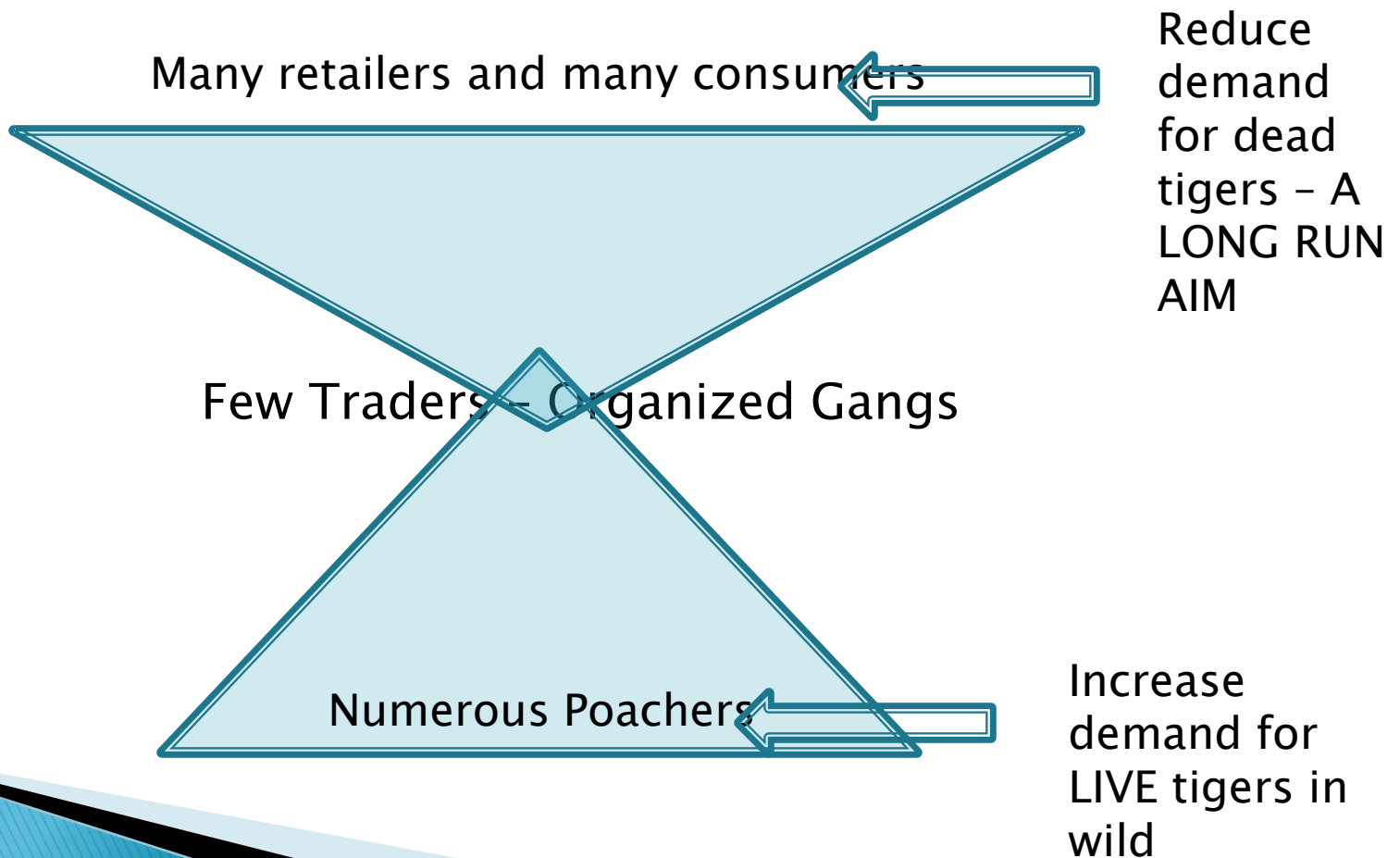
▶ Flooding the Market

- Poaching is a low tech and cheap activity (typically poisoning or traps)
 - Costs about \$100 – \$200
- Sold to middlemen (traders) and then proceeds along traditional routes to destination
- Farming tigers is costly (about \$2,000)
- Impossible to flood the market so much that poaching is rendered unprofitable. That is the price must fall so low that the wild market vanishes.

Problems (continued)

- ▶ Laundering:
 - We already see that the existence of farmed tiger produce facilitates and permits laundering of wild products.
 - Counterargument: establish certification.
 - Problem is that this is expensive and it would raise the price of farming still further....this means flooding market will not be feasible.

Market Structure



Reducing Demand for Tiger Parts

- ▶ A slow process
- ▶ Much to learn from other public campaigns
 - Child labor, slavery, fair trade campaigns
- ▶ Awareness and provision of alternatives
 - Moral issues and implies education, persuasion
- ▶ Increasing deterrence and enforcement
 - Implies getting serious about the trade and the farms

Increasing demand for wild tigers

- ▶ Eco-development or Integrated Conservation and Development Programs (ICDP)
 - Provide jobs that do not use forest resources
 - Keep people busy and reward them for non-exploitative activities
- ▶ A win – win for everyone??????????
 - People get development and the world gets better conservation

Reality is more sobering

- ▶ Seldom works as planned
 - ICDP is just non-farming rural development under a new label.
 - Cannot work where there is a surplus of labour. That is people continue old (bad things) with the new (good things)
 - Acts as a magnet – draws more people and more destruction
- ▶ Little evidence of success

Then what?

- ▶ Link rewards **DIRECTLY** to your desired outcomes
 - If you want tigers reward people directly for them!!!
 - Payment for environmental services (PES)
 - Eco tourism is one instrument (but not as currently practiced in many TRCs)
 - Long history of PES schemes in Latin America

Thank you

