Political Economic Digest Series 10

Dear Political Economic Digest Series participant,

Welcome to the tenth series of the Political Economic Digest. In the last series we discussed about the free markets, myths and facts about free markets and if Nepal really is a free market economy as our politicians generally claim. We discussed some prevailing myths about markets and the truth about them as well as about reasons why Nepalese economy cannot be called free market oriented economy.

In this series, we'll be discussing about free markets and environment. Environment conservation is emerging as one of the most pertinent issues of our time. With various differing opinions, environmentalism is developing into a very controversial issue as well. Some people consider the rapid economic growth around the globe as a grave threat to the environment and natural order whereas some consider lack of properly determined property rights and bad policies as the main culprit in environmental degradation. In this series, we will mostly be talking about how the environment can be conserved through free markets and if we should be overly worried about the ongoing impact of human activities on the environment.

First reading for these series is a well known essay called "Why I am not an environmentalist" by economist Steven Landsburgh. In the essy, the author argues that environmentalism is a political ideology and majority of environmental issues aren't as grave as the environmentalist state them to be.

Second reading is an article entitled "How Free Markets Protect the Environment" by Richard L. Stroup and Jane Shaw who are associated with Property and Environment Research Center. In this article, the authors discuss on property rights as a measure to conserve and promote natural environment.

Third reading is an article entiled "Shoot an Elephant, Save a Community" by Terry Anderson who is the John and Jean De Nault Senior Fellow at the Hoover Institution, is the executive director of PERC—the Property and Environment Research Center—a think tank in Bozeman, Montana, that focuses on market solutions to environmental problems. In this article, he explains how by assigning economic value to animals, hunting preserves more wildlife than it kills.

We'll discussing about environment preservation and other related issues in upcoming series as well. So, keep your unanswered questions safely. Happy reading!

Please scroll down to find the readings and the questions to think about.

Why I Am Not An Environmentalist:

The Science of Economics versus the Religion of Ecology

At the age of four, my daughter earned her second diploma. When she was two, she graduated with the highest possible honors from the Toddler Room at her nursery school in Colorado. Two years later she graduated from the preschool of the Jewish Community Center, where she matriculated on our return to New York State.

At the graduation ceremony, titled Friends of the Earth, I was lectured by four- and fiveyear- olds on the importance of safe energy sources, mass transportation, and recycling. The recurring mantra was "With privilege comes responsibility" as in "With the privilege of living on this planet comes the responsibility to care for it." Of course, Thomas Jefferson thought that life on this planet was more an inalienable right than a privilege, but then he had never been to preschool.

I'd heard some of this from my daughter before and had gotten used to the idea that she needed a little deprogramming from time to time. But as I listened to the rote repetition of a political agenda from children not old enough to read, I decided it was time for a word with the teacher. She wanted to know which specific points in the catechism I found objectionable. I declined to answer. As environmentalism becomes increasingly like an intrusive state religion, we dissenters become increasingly prickly about suggestions that we suffer from some kind of aberration.

The naive environmentalism of my daughter's preschool is a force-fed potpourri of myth, superstition, and ritual that has much in common with the least reputable varieties of religious Fundamentalism. The antidote to bad religion is good science. The antidote to astrology is the scientific method, the antidote to naive creationism is evolutionary biology, and the antidote to naive environmentalism is economics.

Economics is the science of competing preferences. Environmentalism goes beyond science when it elevates matters of preference to matters of morality. A proposal to pave a wilderness and put up a parking lot is an occasion for conflict between those who prefer wilderness and those who prefer convenient parking. In the ensuing struggle, each side attempts to impose its preferences by manipulating the political and economic systems. Because one side must win and one side must lose, the battle is hard-fought and sometimes bitter. All of this is to be expected.

But in the 25 years since the first Earth Day, a new and ugly element has emerged in the form of one side's conviction that its preferences are Right and the other side's are Wrong. The science of economics shuns such moral posturing; the religion of environmentalism embraces it.

Economics forces us to confront a fundamental symmetry. The conflict arises because each side wants to allocate the same resource in a different way. Jack wants his woodland at the expense of Jill's parking space and Jill wants her parking space at the expense of Jack's woodland. That formulation is morally neutral and should serve as a warning against assigning exalted moral status to either Jack or Jill.

The symmetries run deeper. Environmentalists claim that wilderness should take precedence over parking because a decision to pave is "irrevocable." Of course they are right, but they overlook the fact that a decision not to pave is equally irrevocable. Unless we pave today, my opportunity to park

tomorrow is lost as irretrievably as tomorrow itself will be lost. The ability to park in a more distant future might be a quite inadequate substitute for that lost opportunity.

A variation on the environmentalist theme is that we owe the wilderness option not to ourselves but to future generations. But do we have any reason to think that future generations will prefer inheriting the wilderness to inheriting the profits from the parking lot? That is one of the first questions that would be raised in any honest scientific inquiry.*

Another variation is that the parking lot's developer is motivated by profits, not preferences. To this there are two replies. First, the developer's profits are generated by his customers' preferences; the ultimate conflict is not with the developer but with those who prefer to park. Second, the implication of the argument is that a preference for a profit is somehow morally inferior to a preference for a wilderness, which is just the sort of posturing that the argument was designed to avoid.

It seems to me that the "irrevocability" argument, the "future generations" argument, and the "preferences not profits" argument all rely on false distinctions that wither before honest scrutiny. Why, then, do some environmentalists repeat these arguments? Perhaps honest scrutiny is simply not a part of their agenda. In many cases, they begin with the postulate that they hold the moral high ground, and conclude that they are thereby licensed to disseminate intellectually dishonest propaganda as long as it serves the higher purpose of winning converts to the cause.

The hallmark of science is a commitment to follow arguments to their logical conclusions; the hallmark of certain kinds of religion is a slick appeal to logic followed by a hasty retreat if it points in an unexpected direction. Environmentalists can quote reams of statistics on the importance of trees and then jump to the conclusion that recycling paper is a good idea. But the opposite conclusion makes equal sense. I am sure that if we found a way to recycle beef, the population of cattle would go down, not up. If you want ranchers to keep a lot of cattle, you should eat a lot of beef. Recycling paper eliminates the incentive for paper companies to plant more trees and can cause forests to shrink. If you want large forests, your best strategy might be to use paper as wastefully as possible — or lobby for subsidies to the logging industry. Mention this to an environmentalist. My own experience is that you will be met with some equivalent of the beatific smile of a door-to-door evangelist stumped by an unexpected challenge, but secure in his grasp of Divine Revelation.

This suggests that environmentalists — at least the ones I have met — have no real interest in maintaining the tree population. If they did, they would seriously inquire into the longterm effects of recycling. I suspect that they don't want to do that because their real concern is with the ritual of recycling itself, not with its consequences. The underlying need to sacrifice, and to compel others to sacrifice, is a fundamentally religious impulse.

Environmentalists call on us to ban carcinogenic pesticides. They choose to overlook the consequence that when pesticides are banned, fruits and vegetables become more expensive, people eat fewer of them, and cancer rates consequently rise.* If they really wanted to reduce cancer rates, they would weigh this effect in the balance. Environmentalism has its apocalyptic side. Species extinctions, we are told, have consequences that are entirely unpredictable, making them too dangerous to risk. But unpredictability cuts both ways. One lesson of economics is that the less we know, the more useful it is to experiment. If we are completely ignorant about the effects of extinction, we can pick up a lot of valuable knowledge by wiping out a few species to see what happens. I doubt that scientists really are completely ignorant in this area; what interests me is the environmentalists' willingness to plead

complete ignorance when it suits their purposes and to retreat when confronted with an unexpected consequences of their own position. In October 1992 an entirely new species of monkey was discovered in the Amazon rain forest and touted in the news media as a case study in why the rain forests must be preserved. My own response was rather in the opposite direction. I lived a long time without knowing about this monkey and never missed it. Its discovery didn't enrich my life, and if it had gone extinct without ever being discovered, I doubt that I would have missed very much.

There are other species I care more about, maybe because I have fond memories of them from the zoo or from childhood storybooks. Lions, for example. I would be sorry to see lions disappear, to the point where I might be willing to pay up to about $50 a year to preserve them. I don't think I'd pay much more than that. If lions mean less to you than they do to me, I accept our difference and will not condemn you as a sinner. If they mean more to you than to me, I hope you will extend the same courtesy.

In the current political climate, it is frequently taken as an axiom that the U.S. government should concern itself with the welfare of Americans first; it is also frequently taken as an axiom that air pollution is always and everywhere a bad thing. You might, then, have expected a general chorus of approval when the chief economist of the World Bank suggested that it might be a good thing to relocate high-pollution industries to Third World countries. To most economists, this is a self-evident opportunity to make not just Americans but everybody better off. People in wealthy countries can afford to sacrifice some income for the luxury of cleaner air; people in poorer countries are happy to breathe inferior air in exchange for the opportunity to improve their incomes. But when the bank economist's observation was leaked to the media, parts of the environmental community went ballistic. To them, pollution is a form of sin. They seek not to improve our welfare but to save our souls.

There is a pattern here. Suggesting an actual solution to an environmental problem is a poor way to impress an environmentalist, unless your solution happens to feed his sense of moral superiority. Subsidies to logging, the use of pesticides, planned extinctions, and exporting pollution to Mexico are outside the catechism; subsidies to mass transportation, the use of catalytic converters, planned fuel economy standards, adn exporting industry from the Pacific Northwest are part of the infallible doctrine. Solutions seem to fall into one category or the other not according to their actual utility but according to their consistency with environmentalist dogma.

In the last weeks of the 1992 presidential campaign, George Bush, running as the candidate of less intrusive government, signed with great fanfare a bill dictating the kind of showerhead you will be permitted to buy. The American Civil Liberties Union took no position on the issue. I conjecture that if the bill had specified allowable prayerbooks instead of allowable showerheads, then even the malleable Mr. Bush might have balked — and if he hadn't, we would have heard something from the ACLU. But nothing in the science of economics suggests any fundamental difference between a preference for the Book of Common Prayer and a preference for a powerful shower spray. Quite the contrary; the economic way of thinking forces us to recognize that there is no fundamental difference. The proponents of showerhead legislation argued that a law against extravagant showers is more like a law against littering than like a law against practicing a minority religion — it is designed to prevent selfish individuals from imposing real costs on others. If that was the argument that motivated Mr. Bush, then — not for the first time in his life — he had fallen prey to bad economics.

There are good economic reasons to outlaw littering and other impositions (though even this can be overdone — walking into a crowded supermarket is an imposition on all the other shoppers, but few of us believe it should be outlawed). But in most parts of the United States, water use is not an imposition

for the simple reason that you pay for water. It is true that your luxuriant shower hurts other buyers by driving up the price of water but equally true that your shower helps sellers by exactly the same amount that it hurts buyers. You would want to limit water usage only if you cared more about buyers than sellers — in which case there are equally good arguments for limiting the consumption of everything — including energy-efficient showerheads.

Like other coercive ideologies, environmentalism targets children specifically. After my daughter progressed from preschool to kindergarten, her teachers taught her to conserve resources by rinsing out her paper cup instead of discarding it. I explained to her that time is also a valuable resource, and it might be worth sacrificing some cups to save some time. Her teachers taught her that mass transportation is good because it saves energy. I explained to her that it might be worth sacrificing some energy in exchange for the comfort of a private car. Her teachers taught her to recycle paper so that wilderness is not converted to landfill space. I explained to her that it might be worth sacrificing some wilderness in exchange for the luxury of not having to sort your trash. In each case, her five-year-old mind had no difficulty grasping the point. I fear that after a few more years of indoctrination, she will be as uncomprehending as her teachers. In their assault on the minds of children, the most reprehensible tactic of environmental extremists is to recast every challenge to their orthodoxy as a battle between Good and Evil. The Saturday morning cartoon shows depict wicked polluters who pollute for the sake of polluting, not because polluting is a necessary byproduct of some useful activity. That perpetuates a damnable lie. American political tradition does not look kindly on those who advance their agendas by smearing the character of their opponents. That tradition should be upheld with singular urgency when the intended audience consists of children. At long last, have the environmentalists no decency?

Economics in the narrowest sense is a science free of values. But economics is also a way of thinking, with an influence on its practitioners that transcends the demands of formal logic. With the diversity of human interests as its subject matter, the discipline of economics is fertile ground for the growth of values like tolerance and pluralism.

In my experience, economists are extraordinary in their openness to alternative preferences, life-styles, and opinions. Judgmental clichés like "the work ethic" and the "virtue of thrift" are utterly foreign to the vocabulary of economics. Our job is to understand human behavior, and understanding is not far distant from respect.

Following our graduation day confrontation, I sent my daughter's teacher a letter explaining why I had declined her invitation to engage in theological debate. Some of the opinions in that letter are more personal than professional. But the letter is above all a plea for the level of tolerance that economists routinely grant and expect in return. Therefore I will indulge myself as an example of how the economic way of thinking has shaped one economist's thoughts.

Dear Rebecca:
When we lived in Colorado, Cayley was the only Jewish child in her class. There were also a few Moslems. Occasionally, and especially around Christmas time, the teachers forgot about this diversity and made remarks that were appropriate only for the Christian children. These remarks came rarely, and were easily counteracted at home with explanations that different people believe different things, so we chose not to say anything at first. We changed our minds when we overheard a teacher telling a group of children that if Santa didn't come to your house, it meant you were a very bad child; this was within earshot of an Islamic child who certainly was not going to get a visit from Santa. At that point, we decided to share our concerns with the teachers. They were genuinely apologetic and there were no more

incidents. I have no doubt that the teachers were good and honest people who had no intent to indoctrinate, only a certain naïveté derived from a provincial upbringing.

Perhaps that same sort of honest naïveté is what underlies the problems we've had at the JCC this year. Just as Cayley's teachers in Colorado were honestly oblivious to the fact that there is diversity in religion, it may be that her teachers at the JCC have been honestly oblivious that there is diversity in politics.

Let me then make that diversity clear. We are not environmentalists. We ardently oppose environmentalists. We consider environmentalism a form of mass hysteria akin to Islamic fundamentalism or the War on Drugs. We do not recycle. We teach our daughter not to recycle. We teach her that people who try to convince her to recycle, or who try to force her to recycle, are intruding on her rights.

The preceding paragraph is intended to serve the same purpose as announcing to Cayley's Colorado teachers that we are not Christians. Some of them had never been aware of knowing anybody who was not a Christian, but they adjusted pretty quickly.

Once the Colorado teachers understood that we and a few other families did not subscribe to the beliefs that they were propagating, they instantly apologized and stopped. Nobody asked me what exactly it was about Christianity that I disagreed with; they simply recognized that they were unlikely to change our views on the subject, and certainly had no business inculcating our child with opposite views.

I contrast this with your reaction when I confronted you at the preschool graduation. You wanted to know my specific disagreements with what you had taught my child to say. I reject your right to ask that question. The entire program of environmentalism is as foreign to us as the doctrine of Christianity. I was not about to engage in detailed theological debate with Cayley's Colorado teachers and they would not have had the audacity to ask me to. I simply asked them to lay off the subject completely, they recognized the legitimacy of the request, and the subject was closed.

I view the current situation as far more serious than what we encountered in Colorado for several reasons. First, in Colorado we were dealing with a few isolated remarks here and there, whereas at the JCC we have been dealing with a systematic attempt to inculcate a doctrine and to quite literally put words in children's mouths. Second, I do not sense on your part any acknowledgment that there may be people in the world who do not share your views. Third, I am frankly a lot more worried about my daughter's becoming an environmentalist than about her becoming a Christian. Fourth, we face no current threat of having Christianity imposed on us by petty tyrants; the same can not be said of environmentalism. My county government never tried to send me a New Testament, but it did send me a recycling bin. Although I have vowed not to get into a discussion on the issues, let me respond to the one question you seemed to think was very important in our discussion: Do I agree that with privilege comes responsibility? The answer is no. I believe that responsibilities arise when one undertakes them voluntarily. I also believe that in the absence of explicit contracts, people who lecture other people on their "responsibilities" are almost always up to no good. I tell my daughter to be wary of such people — even when they are preschool teachers who have otherwise earned a lot of love.

Sincerely,
Steven Landsburg

How Free Markets Protect the Environment

Conventional economic wisdom, in a theory first propounded by Nobel laureate Paul Samuelson, holds that the unregulated market cannot be expected to protect the environment. In this theory, clean air and water are "public goods" whose value is not well reflected by market processes.

Potential polluters do not consider the social costs of their action, but only the costs to themselves. In addition, since efforts to maintain a clean environment benefit even those who do not help fund them, each individual faces a strong temptation to avoid footing the bill.

This analysis has become so accepted that many people now see no alternative to the system of government environmental regulation and control that has been pieced together over the past two decades.

This system, however, is beset with difficulties. When environmental goals and controls are politically determined, they are subject to a process that is often driven by groundless accusations, supported by public fear, and legislated with special interest in mind. Populist sentiment and pork-barrel politics, rather than actual environmental dangers, currently determine priorities.

We should therefore be prepared to reconsider the free-market solution to environmental pollution, which has worked in the past and could be made to work better now. Over the long run, private ownership is the most effective protector of the environment--provided ownership is transferable and backed by courts that make people liable when their pollutants invade the person or property of others. This system of private ownership would protect the environment for the same reason that it protects other kind of property: because it encourages good stewardship.

Property rights and accountability

When backed by effective liability laws, private property rights tend to work well. Because well-tended property increases its value, private owners generally take care not to despoil their land.

This safeguard works even when owners care only for themselves, not for their heirs. For at the very first signs of poor stewardship--the first indications of land erosion, for instance--appraisers and potential buyers can project the results into the future, and the value of the property declines immediately.

With an effective liability system, these pressures can also keep corporations from despoiling land or property that they do not own. Although disputes occur, the obligations of those who harm others' property are so widely accepted that many people do not even have to go to court when their cars are damaged: insurance companies generally handle such cases routinely.

Unfortunately, environmental damage is often not as recognizable as a dented fender. Common law requires plaintiffs to prove damages and identify the responsible parties, and though the standard of proof is not as high as in criminal cases, it remains substantial.

In order to sue you successfully for polluting my lungs, I must show that I suffered the damage for which I am demanding compensation. And I must prove that the cause of the damage was your air pollution.

Without reliable information, owners cannot adequately defend their property rights in court. Air could have been contaminated by many different sources, for example, or the health effects could be hard to measure. Thus the nature of emissions can make liability laws unenforceable, particularly in the case of air pollution.

The difficulty of obtaining satisfaction in court was, in fact, an important factor creating pressure for government intervention to control pollution. But government intervention does not eliminate the need for accurate information.

Problems with government control

Like private individuals, the government has trouble knowing the source and effect of pollutants. Unfortunately, it has therefore tended to adopt standards that do not demand solid evidence connecting emissions with harm. Under today's regime, the mere suspicion of harm, combined with educated guesses as to the source of pollution, are driving policies that have enormous costs.

Los Angeles, for example, is about to impose measures to require reformulation of products such as deodorants and paints and conversion of cars so that they run on methanol rather than gasoline.

Not only does the government lack the necessary information for controlling pollution, but politicians often have little incentive to obtain the information. Politicians find it easier and more popular with most constituencies simply to adopt a stance of outrage against polluters. In fact, generating outrage is an effective way to generate votes.

The passage of Superfund boosted the careers of a number of congressmen, even though it resulted from misinformation about Love Canal and the incorrect implication that every town had a potential disaster in its backyard.

The political pressures that dominate government also work against taking the long view. Governments officials are legally barred from personally capturing any value that they help create; correspondingly, they pay no financial penalty for property that deteriorates.

By contrast, a private owner of land will see its value change immediately after a major investment, because the value reflects future benefits and costs stemming from his action. Since no such "capitalized value" exists in the government setting, government officials are more interested in maximizing political power than economic value.

Examples of government mismanagement

It is true that government officials are usually well-intentioned. But pursuing their professional mission almost inevitably means disregarding some goals important to the public interest and catering instead to specific individuals and groups.

For example, Forest Service foresters tend to be highly committed to harvesting and replanting trees, often neglecting the potential value of the national forests for recreation.

This commitment has led the Forest Service to log extensively areas such as the Rocky Mountains, where the timber value of the trees is low and where the environmental harm from extensive cutting can be severe. A perverse result is that the harvested trees command prices lower than the cost to the taxpayer of cutting them down.

Politics also affects our national parks. The National Park Service generally follows the views of the leaders of prestigious environmental groups, even though the policies that this small minority espouses are not necessarily those that most Americans want.

The decision to allow fires to burn in spite of decades' worth of fuel buildup led to the devastation of much of Yellowstone in the summer of 1988. While environmental leaders endorse these policies because they minimize human intervention, the disappearance of wildlife such as the beaver and the grizzly bear disturbs many people. One reason the harm is so severe is that it follows decades of the opposite extreme--extreme intervention, during which park rangers killed off Yellowstone's wolves and suppressed all fires.

Other examples of destructive or at least questionable government actions abound. For many years, the Bureau of Reclamation built costly dams that flooded thousands of acres of habitat. Today, feral horses and burros are harming federally owned rangelands, but they cannot be controlled because of opposition from animal-rights groups. And until recently, the Bureau of Land Management, which oversees rangeland, was routinely using crawler tractors to pull up bushes and small trees in large stretches of grazing land, despite a low cost-benefit ratio on much of the land.

Improving the common law

The common law, of course, has its flaws, too. Nevertheless, its rules of evidence and its history of even-handed protection of individual rights make it in most cases the best vehicle for holding accountable those who damage the environment.

We should begin by recognizing that many of the common law's failings were introduced by the legal activists who have been working to change the system since the 1950s. According to a number of analysts, courts today tend to compensate victims from whatever "deep pocket" might be found, even if the deep pocket acted responsibly. This approach destroys the link between liability and responsibility, and thereby reduces the incentive to take costly steps to avoid damaging others.

One remedial step would be to restore the sanctity of contract, and to let insurers help control the risks from unintended pollution. Insurance companies have enforced safety in many industries while at the same time making safety cost-effective.

In addition, governments could rely less heavily on direct regulation and instead require environmentally risky ventures, such as hazardous-waste dumps, to be bonded or insured. Both bonds and insurance can provide the accountability that is otherwise absent when insolvency or bankruptcy prevents companies from compensating victims. A firm that has posted a large bond to guarantee

solvency in case of liability claims will have a much stronger incentive to handle its hazardous materials safely and efficiently.

Increased emphasis on accountability through the common law could lead to other salutary developments.

For example, chemicals that might escape into the water or air might be "branded" by dyes or radioactive isotopes to help identify their source. Responsible companies could protect themselves with branding, because they would be in the clear if contaminants that caused damage did not carry their brands.

In addition, faced with laws that assure the solvency of potential polluters and that make liability more certain for anyone whose contaminants invade the property of others, insurers and others responsible for potential damages would provide a bull market for the development of better forensic technology, as well as better containment and decontamination procedures. When general accountability--rather than specific behavior--is stressed, the incentive to avoid damage is greater.

Private protection of the environment

When it comes to maintaining environmental quality, protecting natural beauty, and preserving wildlife habitat, private organizations have often done a better job than government. One reason for their effectiveness is that their actions do not have to reflect majoritarian views, which often change.

Private conservation began long before the American public developed today's environmental consciousness or enlisted the government to protect endangered species and enforce cleanups. Hawk Mountain Sanctuary Association in eastern Pennsylvania, for example, was formed privately in 1934, at a time when hawks were considered vermin because they ate chickens.

Sea Lion Caves, a tourist attraction on the coast of Oregon, began protecting sea lions in the 1920s, when the state of Oregon had a $5 bounty on each sea lion. At that time, the animals were viewed as pests because they ate fish and harmed the salmon industry; Sea Lion Caves provided a haven until public opinion changed and laws were passed to protect sea lions.

Even today, when the government is supposed to control the environment, private groups are responsible for much of the effective protection of wildlife.

The Nature Conservancy has more than a thousand nature sanctuaries, and since its founding in 1951 it has preserved some 2.4 million acres. The National Audubon Society has more than sixty preserves, covering more than 250,000 acres. Ducks Unlimited protects more than a million acres of wildlands each year through easements that preserve waterfowl habitats.

Operation Stronghold is a national association of private landowners committed to managing their land in a way that protects or enhances wildlife habitat. There are hundreds of other such sites in the U.S., providing refuge and habitat for all sorts of flora and fauna.

The beauty of such private efforts is that people who do not care for ducks or egrets need not pay for their upkeep, as taxpayers do when the government is in control. Also, since private organizations do

not use funds coerced from other people, but rather rely primarily on donations, they tend to target their efforts efficiently.

Conclusion

As our standard of living has improved, our desire for environmental amenities has increased. We can expect this demand for natural beauty to continue to grow as our national income increases, for attention to the environment is correlated with higher income.

We can further expect the private sector--both profit and nonprofit--to continue to take the lead in meeting the increasing environmental demands whenever it is allowed to do so.

That does not mean that private organizations will solve all environmental problems. Where property rights are nonexistent, ill-defined, or unenforceable, there will be no owner to insist on protection. Rather than abandoning private management in favor of direct governmental control, however, we should try to find ways to establish accountability (along with the freedom and incentive to innovate) by establishing or strengthening property rights.

We need to compare the problems stemming from imperfect property rights with the "solutions" put into effect by imperfect government. The evidence suggests that the political process has all too frequently caused the greater degree of waste and destruction.

- Richard L. Stroup and Jane Shaw

Shoot an Elephant, Save a Community

When GoDaddy CEO, Bob Parsons, posted a video online of himself shooting an elephant in Zimbabwe, he unleashed a stampede of criticism. The hunt, which took place in March, resulted in the killing of a problem bull elephant found raiding farmers' crops. People for the Ethical Treatment of Animals (PETA) discovered the video, plastered it all over the web, and dropped their account with GoDaddy—a web hosting service—urging others to follow suit. NameCheap, a rival web company, persuaded more than 20,000 GoDaddy customers to switch their accounts by pledging to donate a portion of its revenue to the nonprofit Save the Elephants.

Such emotional activism on behalf of elephants is understandable. But whether PETA's activism goes beyond rhetoric to achieve results—like more elephant habitat and more elephants—is another matter. Unfortunately, environmental groups such as PETA are too often long on rhetoric and short on results.

Like many environmental groups, PETA is all about the "anti." In this case, it is anti-hunting. Its supporters rally against causes with easily identifiable "bad guys" such as corporations and hunters like Bob Parsons. While such good-versus-evil narratives are useful for garnering financial support, they ignore the complexity of human-wildlife conflicts in Africa and the role of property rights and local management in resource conservation.

Seldom does PETA advocate for more practical but less emotive "pro" causes such as wildlife habitat, community resource management, or higher incomes. As a result, it neglects solutions such as devolving wildlife management to the local level, where the people living with the costs of wildlife can find ways to profit from sustaining the habitat and the animals. Where property rights to wildlife have been assigned to local communities—either through explicit institutional reforms or innovative entrepreneurship—Africans have proven that private ownership means resources stewardship.

Parsons' hunt epitomizes results rather than rhetoric and shows how active conservationists can help both people and wildlife. In Parsons' words, "This farmer was desperate. He couldn't get the herd out of his field. He asked us to come and deal with it." Parsons' video, albeit distasteful at times, reveals the cold reality of conservation in Africa. Wildlife imposes real costs on the nearby communities. Achieving results means involving these communities in wildlife management and providing them the right incentives to protect wildlife and its habitat.

PETA's anti-hunting rhetoric fails on both counts. Anti-hunting groups succeeded in getting Kenya to ban all hunting in 1977. Since then, its population of large wild animals has declined between 60 and 70 percent. The country's elephant population declined from 167,000 in 1973 to just 16,000 in 1989. Poaching took its toll on elephants because of their damage to both cropland and people. Today Kenya wildlife officials boast a doubling of the country's elephant population to 32,000, but nearly all are in protected national parks where poaching can be controlled. With only 8 percent of its land set aside as protected areas, it is no wonder that wildlife in general and elephants in particular have trouble finding hospitable habitat.

For the landowners who bear the costs of wildlife, the decision of whether to protect wildlife is a simple one: if it pays, it stays. The ban on hunting gives wildlife little or no economic value, causing rural Africans to view wildlife as a liability to be avoided rather than an asset to be protected. As a result,

landowners have increasingly turned to agriculture instead of habitat protection, which decreases available habitat and increases the potential for human-wildlife conflicts.

In sharp contrast to Kenya, consider what has happened in Zimbabwe. In 1989, results-oriented groups such as the World Wildlife Fund helped implement a program known as the Communal Areas Management Programme for Indigenous Resources or CAMPFIRE. This approach devolves the rights to benefit from, dispose of, and manage natural resources to the local level, including the right to allow safari hunting. Community leaders with local knowledge about wildlife and its interface with humans help establish sustainable hunting quotas. Hunting then provides jobs for community members, compensation for crop and property damage, revenue to build schools, clinics, and water wells, and meat for villagers—just as Parsons' elephant did.

By granting local people control over wildlife resources, their incentive to protect it has strengthened. As a result, poaching has been contained and human-wildlife conflicts have been reduced. While challenges remain, especially from the current political climate in Zimbabwe, CAMPFIRE has quietly produced results with strikingly little activist rhetoric.

The numbers attest to the program's success. Ten years after the program began, wildlife populations had increased by 50 percent. By 2003, elephant numbers had doubled from 4,000 to 8,000. The gains have not just been for wildlife, however. Between 1989 and 2001, CAMPFIRE generated more than $20 million in direct income, the vast majority of which came from hunting. During that period, the program benefitted an estimated 90,000 households and had a total economic impact of $100 million.

The results go beyond the CAMPFIRE areas. Between 1989 and 2005, Zimbabwe's total elephant population more than doubled from 37,000 to 85,000, with half living outside of national parks. Today, some put the number as high as 100,000, even with trophy hunters such as Parsons around. All of this has occurred with an economy in shambles, regime uncertainty, and mounting socio-political challenges.

Throughout southern Africa, hunting and wildlife-related tourism have spurred private sector investment in wildlife conservation. The region is now home to more than 9,000 private game ranches, 1,100 privately managed nature reserves, and over 400 conservancies. In Namibia, which allows hunting, more than 80 percent of all large wild mammals live on private and community lands, and those populations have increased by 70 percent in recent years. In these regions where wildlife pays its way, habitat is conserved and wildlife populations thrive.

Such success has caused some in Kenya to advocate a possible change in its wildlife laws to allow "sustainable use" of wildlife on private lands. So far, the efforts have been unsuccessful—in large part due to the rhetoric of international animal rights activists. Animal-rights groups are influential in Kenya, often providing resources for the cash-strapped Kenyan Wildlife Service. But unlike private landowners, they do not pay for the impact of wildlife on land and people. As a result, they overlook a fact that Zimbabwe and other African nations have already discovered: wildlife in Africa needs economic value to survive.

PETA and others dispute the claim that hunting helps farmers in Africa whose crops are damaged by animals. PETA argues that preferable alternatives exist. In a response to Bob Parsons' hunt, for example, PETA wrote that "there are ample effective and nonlethal methods to deter elephants from crops, including using chili-infused string and beehives on top of poles to create low-cost 'fences'." Other non-hunting tactics include planting crops which elephants do not like to eat or burning "chili bombs" made

of elephant dung infused with chili pepper. The problem is that most wildlife, including elephants, becomes immune to such tactics. Moreover, a 2008 World Wildlife Fund report on human-wildlife conflicts in Namibia found that such methods have not been proven effective because they are time consuming and require regular supplies and maintenance.

The same report concludes that under community-based natural resource management, such as CAMPFIRE in Zimbabwe and similar programs in Namibia, wildlife is able to provide economic benefits that exceed the costs of human-wildlife conflicts. By devolving property rights to wildlife to the local level, these programs allow communities to internalize both the costs and benefits from wildlife. The farmers who requested Parsons' help not only culled the problem elephant, they got income, jobs, and meat from his hunt. That is results, not just rhetoric.

If environmental organizations want to produce more results, they need to put aside their obsession with issues such as hunting and advocate on behalf of property rights and community resource management. This allows the decisions over wildlife and other natural resources to be made by the people who bear its costs. The experience of Zimbabwe, Namibia, and other southern African countries that have harnessed the power of local control suggests that this approach can benefit both people and wildlife in Africa.

Organization such as PETA, the International Fund for Animal Welfare, Earthjustice, and Greenpeace are but a few well-funded groups whose boycotts, protest marches, and letter-writing campaigns produce lots of rhetoric but few results. In contrast, hunting organizations such as Safari Club International or environmental groups such as the Environmental Defense Fund, whose motto is "finding the ways that work," get a real bang for their buck. PETA's rhetoric may take the moral high ground, but Parsons' hunting is putting more elephants on the earth.

The next time you write a check to your favorite environmental group, ask whether you are buying environmental rhetoric or environmental results.

- Terry Anderson

Questions to think about

Preserving forests and forest products used to a major issue of concern for Nepal in the past. However, with the introduction of community forest models that allows communities to own the forests and be benefitted from the forest products, Nepal is doing very well in forest conservation. Do you think property rights have a role in the changed scenario?

What lessons could we derive from our success with the community forests to conserve our other resources such as wildlife and water sources?

Do you agree with the author's view that environmentalism is basically a political ideology? Why? Why not?

Do you think legal and commercialized hunting preserves more animals than it kills? Why? Why not?