If It Pays, It Stays: The Economics of Trophy Hunting[1]

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Abstract: This paper explores the economics of trophy hunting through focusing on Africa, specifically investigating whether bans achieve their stated goal of wildlife conservation. Contrary to widespread belief, the study challenges the idea that trophy hunting poses the primary threat to African wildlife, contending instead that a lack of private property does. We examine the economic incentives and outcomes associated with trophy hunting regulation by analyzing various institutional arrangements, including public ownership, privatization, and proposed alternatives like photo safaris and dehorning. Findings indicate that bans on trophy hunting not only fail to enhance conservation efforts but inadvertently worsen the situation by fostering conditions conducive to overexploitation. In contrast, the privatization of hunting territories emerges as a solution, incentivizing landowners to care for and protect wildlife from poaching, thus fostering sustainable practices that benefit both conservation and local communities.

Keywords: *Trophy Hunting*, *Property Rights*, *Wildlife Conservation*, *Public Policy*

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I. Introduction

According to the Society for the Prevention of Cruelty to Animals (SPCA), trophy hunting can be defined as "the hunting of wild animals for sport," where "usually, the animal is stuffed, or a body part is kept for display" ("Trophy Hunting Defined" 2024). This "part" of the animal is kept as a treasured memento by the hunter, who treats it as a trophy and a symbol of his fortitude and skill as a hunter. Trophy hunting has been part of human culture for millennia and serves as a reminder of the experiences that the hunters partook in (Sheikh 2019). Although the meat and fur of the animal are almost always used, claiming the animal's "trophy" is the primary prize of the hunt. The prevailing belief among most ordinary people, influencers, and many intellectuals is that iconic African species like elephants, lions, and rhinos are facing extinction due in large part to trophy hunting by wealthy Westerners, particularly Americans. However, the truth is more complex, and recent examinations have brought these assertions into question (Economist 2021).

Undeniably, Africa's once abundant and diverse wildlife has suffered significant declines. Just over a century ago, the elephant population stood at 10 million; in 2016, it was barely over 415,000 (Thouless et al. 2016). Similarly, lion numbers dropped by 43% in just 21 years until 2015, and the black rhino plummeted tremendously (Kotzé 2023) (Ritchie 2022). It is also true that the United States imports more African trophies than any other country ("U.S. trophy hunting by the numbers," 2021).

We examine whether state bans on trophy hunting in Africa fulfill their stated purpose of promoting conservation efforts. Meanwhile, we will also examine the cost of such policies to the economy and, thus, to local communities. Our research demonstrates that regulations on trophy hunting not only fail to fulfill their stated ends, but they negatively affect conservation efforts, as

well as the African economy and, thus, local communities. We will argue that, with the correct institutional arrangements, trophy hunting can and does serve as the primary force behind the conservation of endangered animals.

II. The Economics of Trophy Hunting

A. Arguments against Trophy Hunting

In 2018, Tess Thompson Talley, a trophy hunter from Kentucky, posted a picture on Facebook of a giraffe she shot in Africa (The Week 2018). Even though the harvest happened as part of a conservation effort, where the animal in question was already too old to reproduce (and as such soon would have been ripped apart by lions or other predators anyways) and had killed two younger giraffes that could have passed on their genes, the usual outrage ensued (CBS 2018). Among the many who commented was the American actress Debra Messing, calling Talley a "vile, amoral, heartless, selfish murderer" (Messing 2018). These remarks demonstrate the general sentiment towards trophy hunting, with many routinely criticizing the practice, proclaiming that it is cruel, leads to the extinction of many exotic animals, and, as such, is untenable for societies to allow, calling for a ban on trophy hunting and the importation of trophies.

The common views on trophy hunting are generally very negative, with many perceiving it as harmful to wildlife populations, driving the extinction of many species. They view trophy hunting as an activity driven by nothing more than ego and luxury (Gun 2001, 68–95). Although there is much anger and condemnation of the practice of trophy hunting, the layperson is often rendered unable to give reasons other than his personal distaste for the practice as to why precisely the operation ought to be denounced.

A more sophisticated economic argument against trophy hunting can be seen from certain environmentalists. These critics have stated that, with trophy hunting, there "is the potential [of a] slippery slope to certain species extinctions" (Russell 2018). Essentially, what these environmentalists argue is that if hunters kill and harvest the animals in question, there will be fewer of those specific animals; translating their argument to the language of economics will result in a shift in the supply curve of those animals to the left.

This supply shift to the left, *ceteris paribus*, entails a higher price for the animals, meaning that the monetary cost associated with engaging in trophy hunting will be higher than it was before the leftward supply shift. In their analysis, people worry that, as different animals are hunted and their populations decrease, the leftward shift in supply will make the animals more valuable as trophies, incentivizing further killing of the animals until the beasts in question are hunted to extinction, eliminating them completely.

Furthermore, everything in the ecosystem is interrelated with everything else (Phillips, 2023). If trophy hunting is left unregulated and falls into the forecasted slippery slope, this will cause ripple effects throughout the entire ecological structure, causing further extinctions (Knell and Martínez-Ruiz 2023). As a result, various members of the public petition states to step in and protect endangered creatures from the malice of man by designating certain animals as protected, prohibiting them from being hunted, nationalizing lands where hunting takes place, and banning the trade of trophies.

B. The Effects of Different Institutional Arrangements on Economic Incentives

1. No Ownership: Tragedy of The Commons

The term "tragedy of the commons," which was first used in 1968 by the American ecologist Garrett Hardin, is a concept that describes the depletion of shared resources when

individuals act in their own self-interest with unowned property without considering the long-term consequences for the group as a whole (Hardin 1968, 1143–1148). It occurs when private property is absent, implying that individuals do not need to bear the total cost of their actions. Thus, they are incentivized to simply exploit the resource as much as possible for the most gain before their competitors exploit the resource first (Alchian).

When applied to trophy hunting and the potential extinction of animals, the tragedy of the commons becomes evident, and the concerns of some of the economic arguments against trophy hunting look reasonable. Trophy hunting often operates within a system where wildlife resources are considered a common pool. In many cases, hunting rights are not exclusive to one individual or entity but rather open to multiple hunters or outfitters. This system of public property sets the stage for overexploitation, as each participant seeks to maximize their own gain without having to bear the full cost of their actions or considering the impact on the overall population of the targeted species.

Thus, as the territory is a public pasture, without shooting fees charged by landowners, the cost of hunting is practically negligible, so people will exploit the territory until game is driven close to extinction. Since the purpose of trophy hunting is to serve as an indication of the hunter's ability, and, as such, is often a subject of boasting in hunting circles, the heightened value that comes from the fact that attaining the trophy is rarer would serve as a further indication of the hunter's prowess, as it would demonstrate he can get a trophy, that others in the future may be unable to.

As these trophies become more and more rare, the demand for them often shifts to the right, as they become stronger and stronger status symbols. In the same way that what are known as prestige goods, such as limited edition designer clothing, cause more people to buy them as

they become more rare, the heightened desirability of certain animals as hunting trophies would lead to additional hunters joining the hunt, further reducing the various trophy species. Assuming this practice continues long enough without someone claiming ownership over that land, the specific animal breeds can be driven to eventual extinction.

2. Private Ownership

Land privatization offers a potential solution to the tragedy of the commons as it relates to trophy hunting. As one economist points out, "the problem is that the areas where overproduction does exist are precisely those where the built-in market mechanism has been prevented from operating by the force of government" (Rothbard 1974). Just like in a market economy where rare Louis Vuitton bags do not get consumed into "extinction," exotic game animals do not have to either with the proper institutional arrangements that provide adequate incentives for the efficient protection and production of these goods. Most often, what actually pushes animals toward extinction is not legal trophy hunting but poaching. This poaching is often done for meat by locals who take advantage of the tragedy of the commons and try to harvest as much as possible on the public lands before others get to the large game first.

However, by making game animals valuable to certain people through privatization, who can then sell the hunting rights of those animals for profit to rich Westerners, the owner of that hunting territory will be incentivized to hire people who protect those animals from poachers.

An example of this is outlined by Béla Hidvégi, founder of the Hunting Museum in Keszthely, Hungary (Axioma 2021). He explained: "If we don't preserve game, then there will be no game; and then there's nothing to hunt for. It is logical, is it not?" Indeed it is, trophy hunting capitalized game animals, such as the "big five" (African elephant, lion, leopard, rhinoceros, and Cape buffalo), that are on the bucket list for most trophy hunters. Hidvégi continued: "Look at

what happened in Kenya, where hunting was banned in 1977. Since then, game has decreased by 60–70 percent. Why? Because where there's hunting, there's hunting territory. And hunting territories have lords who protect them from poachers."

Hunting is an expensive hobby, as it involves not only equipment but also high shooting fees charged by landowners. An elephant quota starts at $10,000 and can cost up to $70,000, while a lion's price ranges from $55,500 to $100,000 ("Elephant hunting trips") ("Lion Hunts in Africa"). Thus, game becomes valuable, and what is valuable is preserved. Sustainable hunting is a huge business opportunity for landowners and local communities alike, greatly benefiting African economies.

An empirical example of how this system works can be seen in Mozambique, in the picturesque Zambezi Delta. This is Mark Haldane's hunting ground, where in 1995 there were 1,200 Cape buffaloes; thanks to sustainable hunting, there are now 25,000, while hunters annually supply 18 tons of game meat to local villages, allowing them to operate an effective anti-poaching unit with the revenue (Bela Hidvegi Hunting Foundation 2018).

3. Public Ownership, Economic Calculation, and Ownership Competence

One of the public policies enacted in Africa as a proposed solution to the problem of saving the assorted endangered animals has been the seizure of property by governments to manage game similarly to private hunting territories, but not for profit, but in the interest of the animals. State-owned territories vary significantly from one country to another in their approach to wildlife management. Some countries have implemented laws that limit how private hunting territories ought to be managed, some lease out territories for a given period of time to private parties to manage, and some created bureaucratic systems trying to copy private hunting

grounds, with the state charging fees for hunting and trying to manage game. Others still established full sanctuaries where hunting is completely prohibited in order to protect wildlife.

Although from the point of view of conservation, these systems are often superior to a true tragedy of the commons, regardless of which system is instituted on the public lands, it will still be plagued by inefficiency. Since the lands are not privately owned, the public authorities are not able to engage in economic calculation and "are inclined to deviate from the profit system" (Mises 1944, 59).

Economist Peter G. Klein, writing in conjunction with several other academics, outlines a relevant theory known as "ownership competence," which can be used to further demonstrate the optimal nature of private property as a solution. This is the idea that certain people are better at owning certain goods and assets than others and that there is a spectrum of competence when it comes to ownership. Klein explains that ownership competence is "the skills with which asset owners exercise matching, governance, and timing competence" (Klein et al. 2020). Although, in accordance with the classical definition of ownership, by owning property, an individual has the right to use, enjoy the profits of, or sell that good, asset owners must then determine "what to own, how to own, and when to own" (Klein et al. 2020). By exercising superior proficiency in assessing these three questions, the owner is able to give rise to increased value and profit because he is utilizing the goods in a more efficient manner compared to individuals who lacks ownership competence.

Klein's insight has interesting implications for African animal conservation, particularly regarding various public policy decisions that pervert the idea of private ownership. When individuals are prevented from owning either the land that game animals live on or the game animals themselves, it prevents entrepreneurs from accurately being able to answer any of the

three questions outlined by Klein regarding ownership competence; they are unable to determine what, how, or when to own the goods as these policies prevent them from doing so. (Klein et al. 2020)

This implies that, since the entrepreneurs are unable to engage in the necessary calculation required to promote ownership competence, the result is ownership incompetence. Assets are not used to pursue their most efficient ends because the owners are either prevented from discovering the ends or prevented from pursuing them. In this instance, the goods, endangered game animals, are consequently subject to waste. Animals that could have served a higher-valued end (such as expensive trophy hunting by Westerners) are instead misallocated in a way that they are inefficiently used to serve lower-valued ends (such as consumption as food by local poachers or sold for trophy hunters at non-market prices). Thus, although these policies are instituted with the intention of preserving and saving the endangered creatures in Africa, they actually lead to their waste as a species.

III. Proposed Alternatives to Trophy Hunting

A. Photo Safaris

After all this, the question arises: is there no other way to convince people to value and thus protect the game animals? Tourism has been presented as a desirable alternative; however, according to Dr. Amy Dickman, a biologist at the University of Oxford, photo safaris only work in countries that are safe, have good infrastructure, have a low risk of disease, and offer abundant, beautiful wildlife and landscape (Hurt 2019). Unfortunately, many of these conditions are clearly not met on much of the African continent.

Furthermore, if photo safaris were truly the “best” option, they would have presented themselves as the most profitable option to be pursued by private parties in the free market.

Since they have not, as trophy hunting is demonstratively more profitable, it can be seen that the land and animals would be more efficiently allocated if they were used for trophy hunting rather than photo safaris.

B. Dehorning

Another proposed alternative to trophy hunting is dehorning. This practice involves removing the horns of rhinoceros and other animals to reduce their attractiveness to poachers, who, according to its proponents, often kill the animal for its horn. As the economist Douglas W. Allen put it in his paper, "The Rhino's Horn," this is an attempt "to lower the gross value of the asset [rhino] as a possible method of maintaining the private property right."

This strategy is very problematic; firstly, it can only work with certain animals, such as rhinos and elephants, but not with other trophy games that do not have horns, such as lions and leopards. Furthermore, although it is true that trophy hunters value rhinos for their trophies (horns), it is not true that they are valued for the same reason by poachers. If they were, poachers would simply dehorn the rhinos, as getting veterinary anesthetics and a saw is a lot easier than smuggling illegal weapons, but poaching is not done mainly for trophies. It is done by local communities for two reasons: firstly, for food, and secondly, because these animals are extremely dangerous, so villagers will not tolerate them near their communities unless they are incentivized to do so.

From Westerners, there is not that big of a demand for rhino horns either; although it certainly has some useful purposes, the significant demand is for a hunting experience that will result in a horn as a trophy to serve as a memory from that hunt, not just a horn that someone else acquired. The lack of empirical evidence in favor of dehorning also seems to confirm our logical theory of why poaching is not done primarily for the horn.

Dr. Allen also admits the lack of evidence and cites a study stating that "[t]here is debate among conservation biologists on how effective dehorning has been. No definitive answer has been reached yet, in part because tracking dehorned rhinos is difficult, sample sizes are small, and nations have changed enforcement policies over time" (Rachlow and Berger 1997). Moreover, we only see this practice being done by governments, not by the owners of private hunting territories. Thus, dehorning is clearly not an alternative to trophy hunting, either, when it comes to conservation.

IV. Conclusion

In conclusion, our research has shown that contrary to common perceptions, trophy hunting is not the primary threat to endangered game species; rather, it is public policy, more specifically, the lack of private property rights, that exacerbates the difficulties of conservation. Our analysis demonstrates that state bans on trophy hunting fail to achieve their stated objective of promoting conservation efforts. Instead, they exacerbate the problem by creating conditions ripe for the tragedy of the commons, leading to the overexploitation of wildlife. By contrast, privatization and the establishment of private hunting territories offer a viable solution to the problem of de-naturalization in Africa, as privatization incentivizes landowners to protect game animals from poaching, thus fostering sustainable hunting practices that benefit both conservation efforts and local economies.

Moreover, proposed alternatives to private trophy hunting, such as state-managed hunting territories or photo safaris and dehorning, cannot serve as sufficient substitutes for trophy hunting, as governments cannot engage in meaningful economic calculation, lacks the right incentives, as well as ownership competence, while photo safaris are not feasible in regions lacking safety, infrastructure, abundant wildlife, and beautiful landscapes, and dehorning fails to

address the underlying issues driving poaching and is not effective across all species. Thus, we conclude that bans on trophy hunting not only do not fulfill their stated ends, but the end of trophy hunting most likely means the end of wildlife as well.

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