

EVALUATING THE ECONOMIC PERFORMANCE OF PROTECTED AREAS IN CONTRASTING INSTITUTIONAL LANDSCAPES IN SOUTHERN AFRICA

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During the summer of 2013 I travelled to South Africa and Zambia where I conducted preliminary research towards my dissertation project addressing the economic performance of protected areas (PAs). The purpose of the research is to develop efficient and reliable methods for measuring the economic value of a PA, and, by comparing the economic values of PAs in different institutional settings, to determine the economic competitiveness of such wildlife-based land uses and the distortionary effects of different policy regimes on this measure of performance.

Through consumptive and non-consumptive use of wildlife by eco-tourists and safari hunters, PAs in Southern Africa are significant earners of foreign exchange, generators of revenue, and sources of employment for impoverished rural communities. They are also thought to have a comparative economic advantage over alternative uses of the land, such as

livestock production, through the value added by service-based—as opposed to extractive—industries. The comparative advantage and associated economic values may however be undermined by certain policies that increase the costs of PA management. By applying a new institutional economics framework I seek explanations for underperformance that go beyond the proximate causes highlighted by conventional approaches to PA performance evaluation, and which are rooted in the political, social, and economic landscape surrounding PAs.

Prior to the 1960's, monocentric forms of governance created boundaries between private land and state-run parks in Southern Africa. With legislation that devolved rights of proprietorship over wildlife to landowners, these boundaries became blurred and the typologies of PAs diversified. In South Africa, for example, my research was concentrated in the private game ranches and the game ranch collectives (known as conservancies) that border the western boundary of Kruger National Park, and in Zambia, the private concessionaires operating within and adjacent to two national parks. Subsequent to the devolution of wildlife rights to private landowners, communities also began to receive such rights, though to a lesser degree. Hybrid forms of governance, therefore, also exist, and part of my research was situated in two co-managed parks in South Africa and in communal land in Zambia where partnerships have been formed with the private sector.

While privately managed game ranches, conservancies, and related businesses in South Africa appear to be highly lucrative enterprises, co-managed PAs are

generally regarded as economically underperforming. To investigate this perceived difference I began by collecting qualitative data through unstructured interviews with PA managers and lodge operators in both private and co-managed PAs, as well as with community leaders, game breeders, and professional hunters. The purpose was to understand the political and geographic constraints on the industry, the ecological context in terms of conservation trends, as well as to obtain a small sample of financial data on income and expenditures on which methods can be piloted to derive economic multiplier values. Similarly, in Zambia—a country with a small and possibly declining wildlife economy—I conducted interviews with lodge operators, hunters, and industry representatives mainly in the areas within and surrounding Kafue and South Luangwa National Parks. Future fieldwork will focus on expanding a financial data set on which to perform economic analysis and gathering tourist spending data to conduct an analysis of value chains.

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