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Reforming wildlife governance in East and Southern Africa: The role of corruption

Corruption plays a role in structuring wildlife governance systems in many African states. Donor efforts to support wildlife reforms in East and Southern Africa have often struggled to achieve impact due to continuing weaknesses in local rights to access and control wildlife's economic value. Comparing wildlife governance in Namibia and Tanzania, this U4 Brief argues donors need to develop a clearer understanding of the political-economic dimensions of wildlife governance reforms and the role corruption plays in shaping policy-makers' incentives.

Introduction

Wildlife is an important economic asset in much of sub-Saharan Africa, generating billions of dollars annually in income and investment from wildlife-based commerce such as tourism and hunting. Because Africa's wildlife is increasingly valuable as a subject of global commerce, there is increasing commercial interest in securing control over, or access to, wildlife-rich rural African landscapes. As a result, competing interests within African societies seek to capture the economic rents and commercial opportunities from various forms of wildlife trade and utilisation. As with the governance of other valuable natural resources, an important dynamic in African

wildlife management is the private appropriation of public resources for political purposes such as patronage and rent-capture. Corruption plays a major role in structuring wildlife policies and management systems in many African states, and wildlife is in turn a resource, similar to timber or oil in other countries, that can attract illegal activity or corrupt governing practices.

This U4 Brief provides an overview of key wildlife governance issues in East and Southern Africa, in relation to economic outcomes and the role of corruption in reform efforts, comparing wildlife governance systems and outcomes in Namibia and Tanzania. It argues that an appreciation of the political dimensions of wildlife governance, and the differences between countries' approaches, is central to understanding the economic and ecological variance in management outcomes across the region, and for developing more effective reform efforts. Although many bilateral and multilateral donors have been supporting wildlife policy reforms and community-based wildlife management initiatives across the region, these efforts have often struggled to achieve impact due to continuing weaknesses in local rights to access and control wildlife's



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economic value. In order for better impacts to be achieved, resulting in more sustainable wildlife governance arrangements that support rural livelihoods and national economies, donors need to develop a clearer understanding of the political-economic dimensions of wildlife governance reform efforts and the role that corruption plays in shaping the incentives of policy-makers.

Wildlife as an economic asset

Eastern and Southern Africa is famous around the world for its wildlife – the great migratory herds of the southern Sudan, Kenya, and Tanzania; the 100,000 elephants of Botswana's Okavango Delta; and predators such as lion, cheetah, wild dog, and hyena. Eastern and Southern Africa contain most of the continent's large mammals, mainly because their tropical savannahs and grasslands are extremely productive with respect to the diversity and biomass of their mammal communities.

This biological diversity is often viewed first and foremost as a natural spectacle and priceless global heritage. Within Africa, however, wildlife comprises an economically important natural resource. Wildlife provides the main attraction for rapidly expanding tourism industries that generate over USD 12 billion in annual income (as of 2006) in Eastern and Southern Africa, comprising over 85 percent of the total tourism income generated within sub-Saharan Africa. In countries such as Kenya, Tanzania, Namibia, and Botswana, tourism – largely based around wildlife and other natural assets – is among the top foreign exchange earners and a substantial contributor to GDP and foreign and domestic investment.

Tourist hunting (or trophy or recreational hunting) is an important sub-sector of the overall tourism market, and one that is even more directly tied to particular species of large mammals. Tourist hunting generates over USD 200 million annually in sub-Saharan Africa, with Tanzania, Namibia, and South Africa the three highest earning countries. Wildlife is also important as a source of food in both subsistence and commercial markets across much of Africa, accounting for 30-80 percent of household protein consumption in Central African countries.

Namibia: Sustainable growth through institutional reforms

Namibia is Africa's best example of the role that institutional reforms can play in catalysing wildlife population recoveries and investment in wildlife-based enterprises. Parallel experiences, albeit less successful overall outcomes, can, however, also be found in other Southern African countries, such as South Africa, Zimbabwe, and Botswana.

Since shortly after the onset of European colonialism, Namibia, like nearly all African countries, treated wildlife as centrally controlled state property. Wildlife management was based on establishing protected areas free of people, such as Namibia's Etosha National Park, and on laws that regulated the use of wildlife and its products.

In the late 1960's, Namibia passed legislative reforms which gave private landholders rights to use wildlife on their lands, subject to certain measures, such as the erection of game fencing on properties. At the time, these reforms were limited to private farms and ranches, which consisted of lands owned by white settlers and which accounted for around 40 percent of the country's total land area. Giving landholders fairly broad rights to utilise wildlife on their lands enabled ranchers in arid and semi-arid Namibian landscapes to capture wildlife's economic value, as generated through activities such as meat sales and hunting. The result was a widespread investment in wildlife production and conservation by Namibian freehold landholders; from 1972 to 1992, wildlife populations

on private lands in Namibia increased by an estimated 80 percent.

When Namibia became independent from South Africa in 1990, the country's wildlife managers and policy-makers had developed an appreciation of the potential that devolving rights over wildlife to the local level could have in terms of spurring landholder investments in wildlife production and related enterprises. With the onset of majority rule, there was both the potential, and the political imperative, to extend similarly devolved management regimes to Namibia's communal lands, where most people in the country reside. A framework for community-based wildlife management in these areas was created through 1996 legislative reforms that enable communities to establish 'communal conservancies'. These conservancies are self-defined areas, governed by a constitution and an elected committee, which can apply to the government for rights to use wildlife within their defined boundaries. Once these rights are granted, the conservancies are able to negotiate commercial joint ventures or investment agreements with tourism or hunting companies, and to keep 100 percent of the revenue generated to be invested within the community as the local recipients see fit.

As occurred earlier on private lands, the establishment of communal conservancies led to the creation of broad incentives for local investments in wildlife and wildlife-based enterprises in communal lands. By 2007, 50 conservancies had been established, covering 118,704 km² and with over 220,000 people resident in and benefitting from them. Wildlife populations are recovering and expanding across large areas of the country, particularly the northwest and northeast where the majority of conservancies are located. Revenue to the conservancies from wildlife-based activities reached the equivalent of about USD 4.3 million by 2007.

The central lesson from Namibia's wildlife management experience is that policy and legislative reforms that grant local communities and private landholders secure rights to make decisions about wildlife use on their lands, and capture the economic benefits of those uses, can generate strong incentives for local investments in conservation. This, in turn, attracts wildlife-based enterprises that contribute to local and national economic growth, which encourages further investments in conservation in a sustainable and virtuous cycle. In arid or semi-arid landscapes, such as those that cover nearly all of Namibia, wildlife is able to compete economically with livestock and agriculture, either becoming the preferred land use or a valuable complement. Other countries in Southern Africa have also seen widespread local adoption of wildlife production as a form of land use following reforms giving rural landholders greater rights to utilise wildlife.

A fairly unique set of contextual factors influenced the path that led Namibia, as well as countries such as Zimbabwe, to adopt the institutional reforms that enabled these outcomes. After minority-rule governments granted private landholders rights over wildlife on their lands, state game departments were able to witness the value, ecologically and economically, of devolving managerial authority in this manner. After independence, there was a belief in the merits of devolution and a new political imperative to extend rights over wildlife to communal lands.

In addition, at the time of these reforms, wildlife on communal lands was generally not subject to any centralised systems of large-scale commercial use, such as through trophy hunting concessions. In Namibia, for example, wildlife in communal lands had declined precipitously from drought and over-hunting during the 1970's and 1980's. In other words, the wildlife asset on communal lands prior to the reform period had limited value because of long-term resource depletion, and there were limited existing investments in wildlife utilisation in these areas. As a result, policy-makers were not giving up control over a lucrative natural resource by devolving user rights to the local level.

Tanzania: Rents and reforms

Tanzania is Africa's most wildlife-rich nation, and wildlife is a vitally important national economic asset. Tourism was one of the major drivers of macro-economic growth and investment during the economic recovery of the 1990's. By 2007, tourism receipts reached USD 800 million, up from only USD 60 million in 1990. Tourist hunting is an important sub-sector, generating about USD 10 million in direct government revenue and an estimated USD 30 million or so in total earnings across the industry.

By the 1980's, Tanzania's wildlife was suffering widely from overexploitation, with about half of its elephants and nearly all of its rhinos being eliminated through commercial poaching and many state protected areas being encroached upon for bushmeat hunting. Government capacity for law enforcement had deteriorated due to the country's fiscal crisis, and poaching was often alleged to be linked to public officials supplementing salaries with illegal trade in wildlife products, as was frequently the case across sub-Saharan Africa during this time.¹ Government policy reviews conducted with substantial donor support during the 1990's also pointed to fundamental weaknesses in the country's wildlife governance framework. Because all wildlife had been controlled directly by the state since the colonial era, and local communities legally proscribed from utilising wildlife or capturing its economic benefits, there were few incentives at the local level for conserving and protecting wildlife. As in other African countries, this strict centralisation of wildlife user rights has worked against the creation of local incentives for conservation, which, in turn, led to the decline of an economically valuable natural asset.

The management problems facing Tanzanian policy-makers in the 1980's and 1990's led to the development of a new wildlife policy, released in 1998. This policy called for devolving clearly-defined user rights over wildlife on community lands to local villages so that they could capture wildlife's market value and thereby develop incentives to conserve wildlife. Since about half of all tourist hunting concessions are on community lands (the other half are in state protected areas called Game Reserves, where people do not live), granting local communities the ability to capture direct revenue from hunting concessions has been a central aim of these policy reforms.

Operationalising such reforms, however, has proven elusive during the past decade. Regulations have been produced enabling the creation of local 'Wildlife Management Areas' (WMAs) on village lands, and a number of these areas have been designated. But in contrast to the 1998 policy's objectives, limited authority has been devolved over wildlife use in these areas. Although communities can form investment agreements with commercial operators, the proportion of revenue captured at the local level, as opposed to that returned to higher levels of government, has never been defined. In addition, allocation of hunting concessions in these areas remains controlled at the ministerial level.

Other reforms advocated by government policy-makers and donors in the 1990's have also failed to take hold. In 1995 the government, as part of its overall reform package, released a 'Policy and Management Plan for Tourist Hunting' that called for a change to a competitive, market-based system of allocating tourist hunting concessions. This recognised that allocating these concessions solely through administrative discretion promotes corruption and fails to maximise the market value of wildlife. Nearly all other countries in Eastern and Southern Africa that have significant tourist hunting industries consequently use competitive tender or auction systems to allocate concessions, with some countries experiencing sharp increases in revenues as a result of shifting to competitive systems. The World Bank estimates that in Tanzania, because of under-pricing of hunting concessions,

government revenues are USD 7 million less than the market value of those concessions.² Many concessions are sub-leased, which is nominally illegal but alleged to be widely practiced, which creates a large informal parallel market in access to wildlife for trophy hunting.³ Tanzanian media reports allege that many senior government figures, including bureaucrats and members of parliament, are among those involved in existing hunting concession leases, or angling to acquire new concessions.⁴

The proposed hunting management reforms were also never adopted. In 2008, the government produced a new Wildlife Act, which did not make any major changes in the system of allocating tourist hunting concessions, despite a 2006 parliamentary task force which recommended a range of reforms. Nor did this bill seek to provide any new level of control over wildlife on the part of local villages, for example by guaranteeing them a minimum proportion of revenue generated by hunting on village lands or in WMAs. In short, and reflecting the previous decade's tendency towards re-affirming central authority over wildlife and wildlife-derived revenues, the new wildlife legislation reinforces the status quo rather than enacting institutional reforms that could address long-standing challenges in the wildlife sector. Local communities and civil society organisations were widely critical of the bill on these grounds.⁵

While reform efforts have made limited headway during the past decade, Tanzania's wildlife populations have continued to decline across most of the country's major ecosystems. While reforms have long been proposed and formally endorsed, and millions of dollars of external support provided, key governance reforms have generally not been implemented or have been re-shaped to limit the scope of change.

In Tanzania, wildlife is an economic resource of major strategic importance and a substantial attraction in terms of local and foreign investment. Maintaining central authority over wildlife creates opportunities for public officials to capture rents, for example through the allocation of hunting concessions or through ownership stakes in wildlife-based tourism or hunting enterprises. By keeping tourist hunting concessions under a system of discretionary administrative allocation, and resisting the use of market-based mechanisms for pricing these concessions, opportunities for corruption are created, which, in turn, create strong incentives among some influential policy-makers and senior bureaucrats to maintain existing centralised governance arrangements. These dynamics result in reduced benefits at the national level, by preventing market-based pricing of wildlife, and at the local level, through the failure to devolve greater rights over wildlife to local communities. These factors, in turn, undermine incentives for conserving wildlife at all levels and underlie wildlife population declines.

Lessons for wildlife governance

The above cases of Namibia and Tanzania represent very different governance patterns with respect to wildlife, leading to highly variant economic and ecological outcomes. In Namibia, as in several other countries in Southern Africa, reforms that devolve relatively secure user rights over wildlife to the landholder level, on both freehold and communal lands, encourage local actors to invest in wildlife production and conservation. This has led to a widespread recovery of wildlife across all land tenure categories, creating new local economic opportunities as well as supporting national tourism and wildlife industries. In Tanzania, by contrast, a much richer wildlife asset base has progressively deteriorated over the same period of time. Despite well-articulated and well-funded reform measures, particularly as captured in the 1998 wildlife policy, wildlife governance remains heavily centralised. Key reform measures calling for devolving user rights to the local level, and for introducing a more competitive and transparent system of tourist hunting concession allocation, have made little

(in the former) or no (in the latter) headway. The Wildlife Act 2009, a recent legislative overhaul of national wildlife legislation, essentially reinforces the long-standing status quo based on central regulation of wildlife use and lands used by wildlife.

Two basic lessons, with respect to wildlife governance, emerge from these comparative experiences:

- First, reforms that decentralise or devolve user rights over wildlife can radically change the attitudes of landholders towards wildlife, and shift incentives from eradication of wildlife towards conservation and investment. In parts of Southern Africa, those reforms have led to wildlife recoveries and dramatic increases in wildlife-based industries.
- The second lesson, though, is that such reforms are often incompatible with the private interests and motivations of influential political elites and policy-makers. This is because devolving rights over wildlife to local actors constitutes a shift in control over wildlife's economic value, which involves losing direct access to money and resources. These political-economic factors can create strong incentives for policy-makers to resist such reforms. This has been a central dynamic in the wildlife sector governance in not only Tanzania, but in other wildlife-rich countries such as Zambia and Mozambique.

Importantly, the most successful reformer countries with respect to wildlife governance have been Southern African nations that also exhibit sub-Saharan Africa's lowest levels of overall institutional corruption: Namibia, Botswana, and South Africa. In such countries, this overall governance context reduces the opportunities for public officials to privately capture and control the economic value of natural resources such as wildlife. This can help reduce the barriers to reform. By contrast, wildlife-rich countries such as Zambia and Tanzania have high levels of institutional corruption, and widespread rent-seeking and private capture of public resources through informal governance processes. All of these processes underpin political and bureaucratic systems based on patronage; rents derived from control over or access to natural resources such as wildlife are very useful to patron-client networks and relationships. Thus, where the value of wildlife is of high economic importance, and institutional levels of corruption are also high, it is likely that policy-makers will face strong disincentives to devolve control over wildlife to local communities or to introduce more transparent systems of wildlife governance.

Considerations for donor policy

It is critical for donors supporting wildlife sector reforms to design programmes based on countries' wildlife sectors' underlying political-economic dynamics. For the most part, donor support to natural resource reforms and community-based natural resource management in sub-Saharan Africa has not been based on a strong understanding of the political economy of existing resource governance patterns. There tends to be an assumption that because reforms are technically rational, they will be politically embraced. That assumption is often invalid, as it is political logic, based on incentives at the centre to retain control over valuable patronage resources, which often most strongly influences institutional choices. This suggests two strategic responses to the political challenges

facing wildlife and natural resource governance reforms, if better outcomes are to be attained:

- First, reformists ranging from local activists and community-based organisations to donor and government agencies all need to collaborate to **improve the existing level of knowledge with regard to patterns of natural resource use**. These patterns of use, and particularly the nature of existing beneficiaries from use, determine who benefits and who loses from any governance reforms, and thus who is most likely to support or resist reform efforts. But because such resource uses are often informal or nominally illegal in the context of African economies, these value chains are frequently not clearly known or documented. This represents a critical informational and analytic challenge, as it is unlikely that more effective reform and advocacy programmes can be designed unless the veil can be lifted back on existing informal patterns of resource use.
- A second strategic issue is that **centrally-directed funds for wildlife governance reforms are often unlikely to be an effective means of reforming existing governance systems**. It is paradoxical to presume that the way to achieve resource governance reforms that central bureaucratic actors are disinclined to support or implement, is to route resources through those central agencies. This is a fundamental problem for much government-to-government aid, and is pronounced in valuable natural resource sectors. If donors or other external organisations wish to support reform efforts, a more effective strategy might be to directly build the capacity of the reformist constituency itself, which comprises non-governmental actors such as local communities, civil society organisations and networks, and even private sector entrepreneurs. Such support should be long-term, often small-scale, and based on adaptive and strategic interventions that are responsive to changes in the macro-political context. Such changes often create unexpected opportunities and political space for reform. Donors can do much to support the creation of networks and alliances which can capitalise on the iterative opening of such political space. ■

Further reading

Please see www.u4.no/themes/natural-resources for relevant literature and figures cited in the text.

Footnotes

¹ Leader-Williams, N et al (2009) "The influence of corruption on the conduct of recreational hunting" in Dickson, B, Hutton, J, and Adams, W M (eds.), *Recreational Hunting, Conservation and Rural Livelihoods: Science and Practice*, Oxford: Wiley-Blackwell, pp. 296-316

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⁴ This Day (2007) "Hunting blocks in Tanzania who owns what." SafariLands.org posted from *ThisDay* 04 October 2007, available at: http://www.safariland.org/index.php/news/more/hunting_blocks_in_tanzania_who_owns_what/, accessed 16 June 2009; This Day (2009) "Mzindakaya's motion on hunting industry: Conflict of interest?" *ThisDay* 06 February 2009, available at: <http://www.thisday.co.tz/News/5266.html>, accessed 2 April 2009

⁵ Ihucha, A (2008) *Wildebeests will vote for you in 2010*. IPP Media, available at: <http://ip-216-69-164-44.ip.secureserver.net/ipp/guardian/2008/10/22/124905.html>, accessed 30 October 2008