

## Poaching and the Dynamics of a Protected Species

Adrian Lopes and Jon Conrad<sup>1</sup>

**Abstract:** Protecting endangered species is a difficult task in developing countries, especially so because individuals living on the edge of a protected area may not place a value on the resource stock in the next period. We develop a model in which an individual derives utility from the consumption ( $C_t$ ) of harvested bushmeat or the protected species, income from employment ( $I_t$ ) in the protected area, and time spent on leisurely activities ( $T_t^L$ ). The myopic individual maximizes a Cobb-Douglas utility function  $E[U_t] = \alpha E[I_t]^\beta (T_t^L)^\gamma (1 + \eta C_t^\omega)$  in each time period  $t$ , subject to a Schaefer harvest function  $H_t(T_t^H, X_t) = qT_t^H X_t$  for a given population of the protected species  $X_t$ . The protected species evolves according to a logistic growth function net of harvest  $X_{t+1} = X_t + rX_t(1 - (X_t/K)^z) - qT_t^H X_t$ , where  $T_t^H$  is the time spent poaching or harvesting the protected species. Poaching is subject to *risky* open access, whereby a fine is incurred by the individual if he/she is caught poaching by anti-poaching units. The probability of getting caught increases in time spent poaching as per the function  $\phi(T_t^H) = (T_t^H/T) \exp(-\kappa(T - T_t^H))$ . A static labor allocation problem for each time period, is coupled with the dynamics of the protected species, to study how the individual maximizes utility by allocating time to wage employment and poaching. The model is solved numerically for steady states for a set of parameter values. Approach paths are studied for different initial conditions for the protected species. In certain cases we observe oscillatory convergence to the analytical steady state; for other parameter values we observe  $2^n$ -point cycles. When  $n$  becomes sufficiently large it leads to deterministic chaos

---

<sup>1</sup> Adrian Lopes is a Ph.D. Candidate and Jon Conrad is a Professor, both in the Dyson School of Applied Economics at Cornell University.

in the dynamics of the protected species. Economic or policy parameters include the wage rate ( $W$ ) for employment in the protected area, the fine ( $F$ ) if caught poaching, the level of enforcement or effectiveness ( $-\kappa$ ) of anti-poaching units, and the black market price of the protected species ( $P$ ). Increases in the wage rate and fine lower the time spent poaching. Increasing the effectiveness of anti-poaching patrols and lowering black market prices also reduce the time spent poaching. The model reveals that the dynamics of the protected population goes through bifurcation for changes in  $W, P, F$  and  $-\kappa$  and in some cases gives way to deterministic chaos. Consequently we find that the time spent poaching is influenced by the abundance or scarcity of the protected population. The results of this stylized model of time allocation to poaching and wage employment, and the dynamics of the protected population, point to the importance to studying the effects of conservation policy. Economic or policy parameter changes may induce bifurcation or changes in the qualitative behavior of a protected species' population dynamics.

**Keywords:** Protected species, poaching, wage, fine, black market prices, bifurcation and deterministic chaos.

## References

- Adams WM, Aveling R, Brockington D, Dickson B, Elliott J, Hutton J, Roe D, Vira B, Wolmer W (2004) Biodiversity conservation and the eradication of poverty. *Science* 306, 1146–1149
- Bulte EH, van Kooten GC (1999) Economics of antihunting enforcement and the ivory trade ban. *American Journal of Agricultural Economics* 81(2): 453–466
- Burton M (1999) An assessment of alternative methods of estimating the effect of the ivory trade ban on hunting effort. *Ecological Economics* 30(1): 93–106

Damania R, Stringer R, Karanth KU, Stith B (2003) The economics of protecting tiger populations: linking household behavior to poaching and prey depletion. *Land Economics* 79: 198–215

Edelstein-Keshet L (2005) *Mathematical Models in Biology*. Philadelphia: Society for Industrial and Applied Mathematics

Gamara JGP and Sole RV (2000) Bifurcations and chaos in ecology: lynx returns revisited. *Ecology Letters* 3

Hastings A and Powell T (1991) Chaos in a three-species food chain. *Ecology* 72(3): 896-903

May RM (1976) Simple mathematical models with very complicated dynamics. *Nature*: 459-467

Messer KD (2010) Protecting Endangered Species: When Are Shoot-on-Sight Policies the Only Viable Option to Stop Hunting? *Ecological Economics* 69: 2334 – 2340.