



## **STOP STIMULATING DEMAND!** LET WILDLIFE-TRADE BANS WORK

Wildlife-trade bans work – *if* they are not sabotaged.

Bans reduce demand because most consumers are law-abiding. Ongoing efforts to reduce residual demand ensure a ban's conservation success.

Conversely, rekindling and stimulating demand sabotages bans, endangering the species they were meant to protect. This is what has happened to the bans that had started to bring back elephants, rhinos and tigers in the wild.

Bans on trade in parts and products from wild elephants, rhinos and tigers *did* work and would have continued working *if* the dying demand for their parts and products had not been revived and stimulated by legal trade that has confused consumers, thwarted law enforcement and opened opportunities for criminals and wealthy speculators who are banking on extinction.

### **ECONOMIC AND COMMON SENSE**

Under the basic laws of supply-and-demand, if demand decreases, product surpluses will result. On the other hand, if demand is stimulated while supplies are limited, consumers will go to greater lengths – pay, do and risk more – to get at limited supplies.

If the bans on commercial trade products from elephants, rhinos and tigers had been supported by sustained, unambiguous enforcement and demand-reduction efforts, poaching pressure would have continued to decrease, allowing a long-term rebound of wild populations. Instead, these bans have been sabotaged by efforts to revive and stimulate demand, resulting in the current upsurge of poaching.

Hired-gun economists promoting a sell-them-to-save-them approach to the conservation of highly endangered species admit they cannot predict how markets will respond in all circumstances. Does the world want to risk the extinction of wild elephants, rhinos and tigers on biased suppositions and uncertain modeling? Or should the focus be on exercising *precaution*, acting in the best interest of the world's natural heritage and not experimenting with the fate of endangered wildlife?

### **LIVING PROOF**

Bans work. People stop buying endangered wildlife when governments consistently reiterate and enforce bans over time.

One good example is India's ban on ivory trade. To save Asian elephants, people of one of the world's oldest cultures and most populous nations have drastically

reduced their consumption of religious carvings and wedding bangles made of ivory and the Indian market for ivory has virtually collapsed.

Thanks to strict bans on rhino horn and tiger bone, Japan, South Korea and Taiwan quickly went from major consumer countries to success stories in the conservation of wild rhinos and tigers.

Fifteen years after China's 1993 ban on trade and use of tiger bone went into effect, China's top polling organization<sup>1</sup> surveyed people in six major Chinese cities and found 93% agreed that a ban on trade of tiger parts and products was necessary to conserve wild tigers.

But what would you think if a government banned the buying, selling and use of tiger products while encouraging tiger farming, financing development of tiger farms and tiger-bone wineries, and licensing a growing list of businesses to sell tiger-skin rugs for home decor? Would you be surprised to find more people wanting to buy tiger products and tiger-farm investors actively lobbying the government to let them sell their tiger products? Or would you expect demand for tiger products to decrease and the ban to remain effective?

What if your government banned the buying and selling of elephant ivory then went to a UN treaty to obtain supplies of ivory for production of ivory jewelry, name seals and carvings? Would you be surprised to find more people wanting to buy ivory products and ivory producers and investors asking for more elephant tusks? Or would you expect demand for ivory products to decrease and the ban to remain effective?

The answers are obvious. The actions being taken by some governments are actions that stimulate demand.

HOW TO STIMULATE PRODUCT DEMAND	HOW TO REDUCE PRODUCT DEMAND
Pass laws favoring product production	Pass laws against product production
Offer subsidies for developing product	Penalize product production
Increase visibility of product	Take product off the market
Applaud leaders in product's development	Penalize product suppliers
Create anticipation for product	Make consumption illegal as well as a social taboo

If laws encourage production and consumption of products from endangered species and government agencies lend their technical, financial and/or political support toward making them available, public demand for these products, *regardless of origin*, will increase.

Demand reduction requires the opposite – laws uniformly and unambiguously *against* production and consumption, unequivocal government enforcement of those laws, meaningful punishment for violations and social stigma attached to continued consumption. If a product is not legally available and consumers know without doubt it is illegal to buy, then only people willing to risk criminality will continue to buy it.

<sup>1</sup> Horizon Research Consultancy Group (<http://www.horizon-china.com/cn/index.html>)

### **NO SUCH THING AS “ILLEGAL” DEMAND**

Some people who are stimulating demand for elephant ivory, rhino horn and tiger skins and bone insist that bans apply only to “illegal” demand for these items, implying there is or soon will be a “legal” demand. Demand, by definition, is not legal or illegal. Demand is simply a consumer's desire and willingness to pay a price for specific goods or services. Only the manner in which consumers act on their desire and willingness can be legal or illegal.

*All demand must be discouraged for wildlife-trade bans to work again.*

### **CONFUSING CONSUMERS SABOTAGES BANS**

Most people are law-abiding, and law-abiding people assume illegal products are not easily obtained. Law-abiding people worry about the stigma attached to buying and using illegal products. In “grey markets” where banned products are illegal in some cases and legal in others, consumers can easily become confused, mistaking availability for legality.

The extreme dangers of grey markets have been demonstrated by the CITES-approved legal shipments of elephant ivory to China in 2008, which drove up prices and speculator demand for ivory, triggering massive poaching of elephants across their African range.

Grey markets provide excellent opportunities for sellers of wildlife products from *all* sources – legal and illegal. It is easy to mix contraband with look-alike legal products, especially where law enforcement is poor. Grey markets provide criminals with *many* more potential buyers than a black market. In a black market, consumers are limited to law-breakers, while grey markets draw buyers from the other 99.99% of law-abiding consumers.

### **DEMAND CANNOT BE REDUCED WHILST IT IS BEING STIMULATED**

Just like a car can't accelerate in “drive” and “reverse” at the same time, demand for products cannot simultaneously be stimulated and reduced.

Demand will never decrease when national laws and policies *encourage* production and consumption of banned products. Stimulating demand is like throwing fuel on a fire – a fire that could quickly consume wild elephants, rhinos and tigers.

### **STIMULATING DEMAND IS A KILLER**

Stimulating demand during a trade ban endangers lives. If demand is actively stimulated while supplies are limited, prices may be driven so high that criminals become willing to kill not only wild elephants, rhinos and tigers but also the law enforcement personnel charged with their protection.

People who are stimulating demand have the blood of slaughtered elephants, rhinos, tigers and anti-poaching teams on their hands. If they are not stopped, extinction will be their legacy.

### **PEOPLE BANKING ON EXTINCTION WANT BANS TO FAIL**

A small group of elite speculators are stockpiling parts and products from elephants, rhinos and tigers, whether wild or captive-bred, with the intention of banking on their extinction. Stimulating consumer demand in order to sabotage trade bans is in their best financial interests.

Speculator interest drives up prices. Higher prices increase incentives for poachers.

More poaching diminishes “supplies” of elephant ivory, rhino horn and tiger skins and bones from the wild, which increases the value of speculator holdings. Extinctions would make international trade restrictions no longer necessary and speculator stockpiles invaluable.

Speculators lobbying to lift bans on trade view elephants, rhinos and tigers as nothing more than commodities.

#### **THE BOTTOM LINE**

Once the buying of endangered wildlife stops, the killing will too. But the buying won't stop amid a confusion of murky policies, contradictory laws, inconsistent law enforcement, demand-stimulation efforts and grey markets that give criminals incentives and opportunities for mingling illegal goods with legal ones. As a result, these rare species are being pushed ever closer to extinction, while law enforcement officials end up foiled, sometimes dead, for the benefit of few criminals and wealthy speculators.

#### **ACTION MUST BE TAKEN BY GOVERNMENTS TO:**

1. Stop *all* trade in parts and products of elephants, rhinos and tigers from *all* sources.
2. Ensure international regulations and national laws and policies do not undermine bans with “limited” legal trade or legal domestic markets.
3. Prohibit and destroy stockpiles of banned parts and products from wild *and* captive-bred sources.
4. Shut down grey markets that mislead consumers, help criminals, foil law enforcers and favor wealthy speculators.
5. Close down and dismantle intensive captive breeding of species protected under international trade bans.

#### **MORE OF THE SAME WILL NOT WORK, SO STOP STIMULATING DEMAND!**

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