

CONTRACTING FOR RECOVERY OF ENDANGERED SPECIES ^{TWS}

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In the debate over reauthorization of the Endangered Species Act, few professionals have considered additional or alternative strategies to a federal program for preventing extinction. The federal Endangered Species Program is the dominant approach, but it could be supplemented with any strategy that successfully organizes and uses the necessary labor,

habitat, and information. An additional strategy may be to enable people to organize the effort privately, through contracts among citizens, private recovery firms, and landowners (i.e., people who control labor, habitat, and information necessary for recovering endangered species). The feasibility of this approach is affected largely by the cost of establishing and executing

contracts (i.e., the transaction cost); therefore, I used Contracting / Transaction-cost economic analysis to study contracts for conservation. Conservation agents included: U.S. Department of Agriculture (Conservation Reserve Program), Delta Waterfowl Foundation, Colorado Division of Wildlife (Ranching for Wildlife), The Nature Conservancy, Defenders of Wildlife, and U.S. Fish and Wildlife Service (Red Wolf Recovery Program). Transaction costs in these contracts are affected most by the definition of the product or service purchased from landowners: more specific definitions are more costly to measure. For example, purchasing the service of determining only the presence of a species is less expensive than purchasing the service of maintaining a

certain level of population viability. In some situations, the extra cost of measuring population viability may be covered willingly. Additional factors influencing the terms of contracts include: the number of landowners involved, the type of contract (i.e., handshake agreement, easement, or fee-title purchase), and the state of technology in wildlife science. Franchising may be an acceptable way of authorizing private firms to handle endangered species. Firms offering to purchase a public management franchise would need to: (1) demonstrate competency; (2) agree to follow certain performance guidelines; and, (3) purchase from the government the legal authority to handle endangered species.