
19. COMPELLING REASONS FOR GAME RANCHING IN MAPUTALAND

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ABSTRACT

The last decade has seen a considerable increase in the area of land devoted to wildlife in South Africa. In this chapter we argue that this has been driven by economic rather than conservation reasons. A strong local and overseas market within the right political and legal framework have made game ranching an economically attractive proposition for many landowners in certain areas of South Africa such as Maputaland.

An obstacle to the creation of game ranches is the large sum of initial capital required for the acquisition of game and the erection of fences and other infrastructure. This chapter provides four case studies on how this problem was overcome. Shareblock schemes provide one method for raising the required capital. This method has had a significant impact on the growth of game ranching in South Africa and so the schemes are discussed in some detail.

The use of mathematical models have contributed to the optimal utilisation of capital in the set-up phase of a game ranch and in determining management strategies to maximise sustainable income. A case study is provided where this approach was used to calculate an optimal mix of species. Another mathematical model then generated the sequence of purchases and acquisitions of game that minimise total

net capital outflow during the set-up period. This minimisation enabled the optimal sustainable populations to be attained within three years taking into account ecological constraints and the limited availability of some species. The model output also includes a detailed cash flow statement for the set-up period.

INTRODUCTION

Maputaland and its neighbouring areas (see Figure 1) have enormous ecotourism potential. Plans are being mooted for the Greater St Lucia Park involving the consolidation of parks in this region and their linking to the Maputo Elephant Reserve and a huge area in southern Mozambique. This would also be linked to reserves in Swaziland and Mpumalanga including the Kruger National Park (Chadwick, 1996). While discussions continue on these developments and the outcome of negotiations is eagerly awaited there has been a dramatic growth in the number of private game ranches in South Africa.

Five decades ago South Africa's first game fence on private land was erected followed by the re-introduction of some species. Today game ranching is an integral part of South African agriculture. It is estimated that about 4,000 ranches in the country now have game fences. Together, these extend over almost 80,000 km² compared with less than 10,000 km² in 1979. The extent of this can be appreciated by noting that the Kruger National Park covers a little less than 22,000 km² and the total land under the control of the National Park's Board is less than 28,000 km² (Eloff, 1996).

While game ranches undoubtedly contribute to conservation the primary reason for their establishment in South Africa is the profit motive. For example, there are reports of the net profit from game on a ranch in the northern Cape region being 7.3 times higher than that of cattle alone and also a 100 km² game ranch in Zimbabwe yielding a net income 3.5 times that of an adjacent 200 km² cattle ranch (Bothma and Van Hoven, 1993). Game ranches meet needs that people are willing and able to pay for. These needs are diverse and include recreational game-viewing, photographic safaris and hunting both for meat and for trophies.

There are estimated to be about 50,000 local hunters in the country. Safari hunting is mostly by foreign tourists. This has led to the development of a multi-million dollar industry and is an important earner of foreign exchange. About 5,000 foreign hunters visit South Africa each year and spend on average more than US\$5,000 each. Nearly a half of this amount is spent on game ranches and the rest is spent on travel, taxidermic services and sundry payments. By law tourist hunters have to be accompanied by one of the approximately 400 professional hunters in the country (Eloff, 1996).

A major hurdle to overcome in setting up a game ranch is raising the large amount of initial capital required. For a typical farm of about 20 km² in extent the setup costs comprising game fencing, tourist huts, and other infrastructure and equipment range between US\$300,000 and US\$400,000 (Eloff, 1996). In addition initial acquisition of game necessitates an additional sum of the order of