

In the current edition of *Nature*, researchers from UC Santa Barbara and Arizona State [propose a market for whale harvest quotas \(subscription required\)](#). Essentially, they would like to establish a kind of “cap-and-trade” system in permits to hunt whales. Their paper is getting a great deal of attention in the media, both in specialized outlets like [ScienceInsider](#) (subscription required) and mainstream ones like the [Washington Post](#). In the Post story, Juliet Eilperin writes that the idea “is attracting interest from Obama administration officials as well as some environmentalists.”

The motivation behind the proposal is to break through gridlock at the International Whaling Commission (IWC), the body charged with regulating whaling at the global scale. Count me as a skeptic for now. Clearly, there is a problem at the IWC, and more generally with the governance of international whaling. The cap-and-trade suggestion is creative and deserves a full airing. But in my view this fundamentally economic solution is unlikely to resolve what is fundamentally a non-economic problem.

The International Whaling Convention directs the IWC to decide which species of whales may be hunted, to what extent, where, and using what gear. The rules set by the IWC are supposed to “provide for the conservation, development, and optimum utilization of the whale resources . . . based on scientific findings . . . [and taking] into consideration the interests of the consumers of whale products and the whaling industry. Convention, Article V. At the outset, the Convention was primarily a way for whaling nations to resolve conflicts over access to the resource. Like fisheries managers worldwide, the IWC routinely set unsustainable harvest quotas, and whale populations dropped rapidly.

In the 1970s and 1980s, as international outrage over whaling practices grew, the Convention and the IWC changed direction. Nations which had never engaged in whaling, or which historically had but no longer desired to, began signing on to the Convention in substantial numbers. By the early 1980s, non-whaling nations within the Convention outnumbered whaling nations to the extent that they were able to impose a moratorium on commercial whaling.

That moratorium, which remains in effect 25 years later, has to some extent undermined the IWC’s perceived legitimacy and effectiveness. Iceland has withdrawn from the Convention. Norway, which formally objected to the moratorium when it was adopted and therefore is not legally bound by it, has continued to openly approve commercial harvest of minke whales. Japan, which also lodged a formal objection at the outset, continues to whale under a different theory, asserting that its entire harvest is for scientific research purposes.

Currently, pretty much no one is happy with the situation. There’s ostensibly a moratorium,

but it doesn't bind the world's largest whaling nations. The moratorium itself is increasingly difficult to justify on scientific grounds; some species of whales do seem sufficiently abundant to support regulated harvest. The US, which was once the primary proponent of the moratorium, now thinks it would be better to have a regulated harvest which would bring the whaling nations back into the fold. The Obama administration's attempt to broker a deal to that effect in 2010, however, fell through in the face of opposition from anti-whaling nations. ([Cara blogged about the proposed deal](#) at the time.)

There is wide agreement among people on all sides of the whaling question that the IWC and the current international governance structure for whaling are dysfunctional. There is definitely a need for creative thinking. But the reason I don't think this particular proposal will help much is that it doesn't get to the root of the problem.

The whaling problem is especially difficult to solve because it is fundamentally non-economic. Of course it does have some economic aspects. Commercial whaling makes money for the people who engage in it. But there's far more to it than that. On the whaling nation side, the moratorium is regarded not just as bad science but as an unwarranted intrusion on national sovereignty and cultural self-determination. They understand that the IWC moratorium has never really been a judgment about the sustainability of whaling. Instead, it is, and always has been, a judgment about the morality of whaling. I take no stand on that question here, but in terms of evaluating solutions to the whaling conflict it's important to keep in mind that the fiercest opponents of whaling would not be mollified either by sustainable harvest (no matter how strong the proof) or by a market which allows them to participate. They think it is simply wrong to deliberately kill these unique and charismatic creatures, which have highly developed social systems and by some measures are quite intelligent. [Sea Shepherd](#), the most vocal and active opponent of whaling, is not going to withdraw its objections because a market-based quota system is used in place of a more traditional regulatory one.

So the gridlock at the IWC is not a matter of conflicting economic interests. It's a matter of irreconcilably conflicting values and, for want of a better word, emotional commitments. Although the authors of the cap-and-trade paper acknowledge that at some level, I don't think their proposal comes to grips with the fundamental problem. Because of that, I suspect it would be just as subject to blocking as a traditional quota, and for the same reasons.

The paper's authors offer two bases for thinking their proposal would excite less opposition. First, they specify that quota should be tradeable in markets open to anyone. Conservationists, then, could put their money where their mouths are, buying and retiring quota in order to save the whales. As a practical matter, it's highly unlikely that the whaling

nations would be mollified by a quota system that assigns any portion of the quota agreeing that any proportion of the a worldwide quota should be assigned to nations with no history of or interest in whaling (the successful opposition of livestock interests in the US to market in grazing permits may be instructive here). But putting that to one side, the more important point is that market participation in no way answers the moral objection. Abolitionists may sometimes have participated in slave markets with the intent of freeing those they purchased. But their ability to do so didn't make them any less opposed to the institution of slavery.

The authors might, although they do not in this paper, point to the acid rain SO<sub>x</sub> market in the U.S., which hasn't drawn a great deal of objection and in which environmental groups have been (minor) participants. That's not a good analogy, though, because SO<sub>x</sub> pollution is a by-product of an activity pretty much everyone agrees is socially desirable (electricity production). No one argued that electricity generation was itself an immoral activity which should be halted. But that's exactly the view opponents take of whaling.

The second way the authors pitch their proposal to whaling opponents is to point out the current moratorium isn't working and to suggest that harvest could be reduced by introducing marketable permits. But that is an argument that was also made about introducing traditional regulation, and it didn't work. Again, I don't see how introducing marketability changes the political landscape.

Maybe I'm wrong. Maybe the whaling conflict is more grounded in economics than I think. If so, this proposal might well be helpful. But it's worth keeping in mind that not all conflict has an economic basis, and economic solutions don't solve non-economic problems.