

IF DUCK STAMPS COULD TALK

By James H. Phillips

Is inflation crippling the federal duck-stamp program?

The question is rarely asked. Even rarer is a meaningful answer. The U.S. Fish and Wildlife Service, justifiably proud of its record, generally cites the number of stamps sold, the amount of money raised and the number of wetland acres purchased, an accounting that satisfies most hunters who believe that, when it comes to duck habitat, "more is better." This is especially true when it comes to nesting and brood-rearing habitat on the northern prairies.

The problem is that the U.S. Fish and Wildlife Service's accounting is too superficial to provide meaningful insight. It fails to sound the alarm caused by the eroding historic relationship between duck-stamp money and the preservation of wetlands. This development poses a threat to the future of both ducks and duck hunting.

To gain insight into the problem, we begin by looking at the service's traditional accounting of its duck-stamp revenues since 1934, the first year hunters were required to buy a duck stamp to hunt waterfowl.

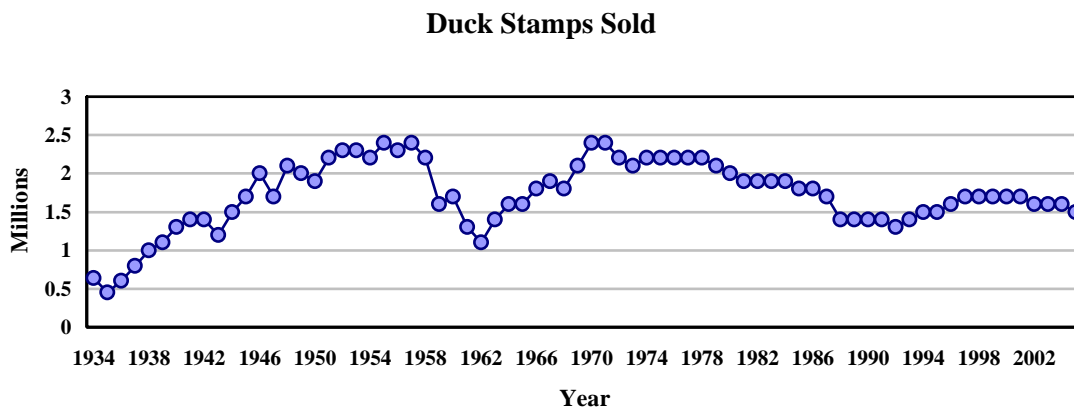


Figure 1. The number of ducks stamps sold each year has ranged from a low of 448,204 in 1935 to a high of 2,445,977 in 1973. More than 123 million duck stamps have been sold since 1934. Source: USFWS.

As you can see, duck stamp sales peaked during the mid '50s and again in the early '70s. Both were times of high water and bountiful fall flights. In this century, the average number of stamps sold each year has dropped to 1.6 million, down 33 percent from the peak year of 1971.

Declining sales, however, do not necessarily equate with declining revenues. This is because the price of a duck stamp has gradually increased over the years. It cost \$1 from 1934-48, \$2 from 1949-58, \$3 from 1959-71, \$5 from 1972-78, \$7.50 from 1979-86, \$10 from 1987-88, \$12.50 from 1989-90, and \$15 from 1991 to the present.

The following graph shows the amount of money raised each year from 1934-2005.

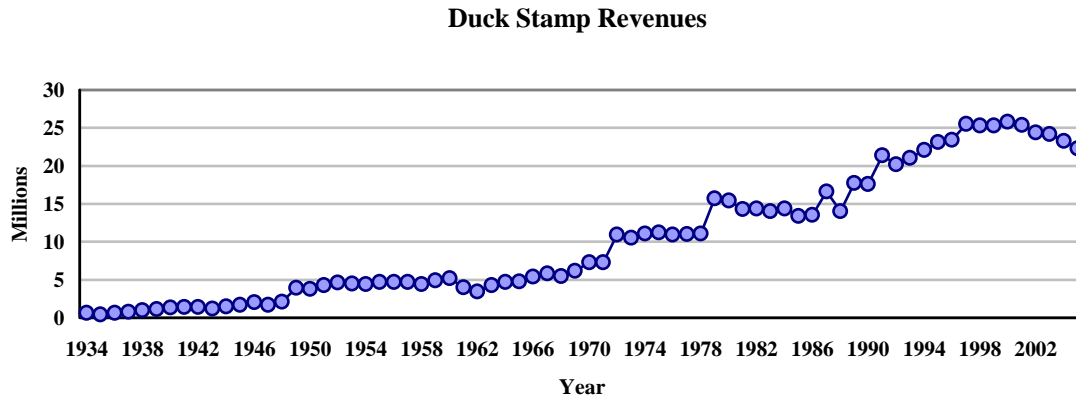


Figure 2. Annual revenues from sales of ducks stamps rose steadily from a low of \$635,001 in 1934 to a peak of \$25.5 million in 1997. Annual sales from 2000 to 2005 averaged \$24.3 million, a decline of five percent from the 1997 peak. Total revenue since 1934 has exceeded \$742 million.

Source: USFWS.

At first glance, the above graph suggests all is well with the duck-stamp program. The amount of money raised has generally increased over time. The increases in the price of a stamp have been sufficient to offset declines in the number of stamps sold. (This century’s 14 percent decline in revenues – from \$25.8 million in 2000 to \$22.3 million – might seem worrisome, but this is a recent development and of relatively small concern, as we shall see.)

The service notes that since 1934 total sales of “duck stamps to hunters, stamp collectors and other conservationists have raised more than \$700 million that has been used to acquire more than 5.2 million acres of habitat for the National Wildlife Refuge System.”

This summary reflects a highly laudable history, but ignores today’s critical problem: inflation.

Those of us who are old enough to remember when “a dollar was worth a dollar,” and you could buy a Remington semi-auto 12-gauge for \$110, have experienced firsthand the loss of buying power caused by inflation. A key question for those of us who hunt ducks is whether the gradually increasing amounts of duck-stamp money raised over the years have been sufficient to offset the loss of purchasing power caused by inflation.

To answer this question, we can convert “constant dollars” into “inflation-adjusted dollars” to measure actual purchasing power. We will use the U.S. Bureau of Labor Statistics standard inflation-adjustment model¹ to track the changes over time.

Inflation-Adjusted Duck Stamp Dollars

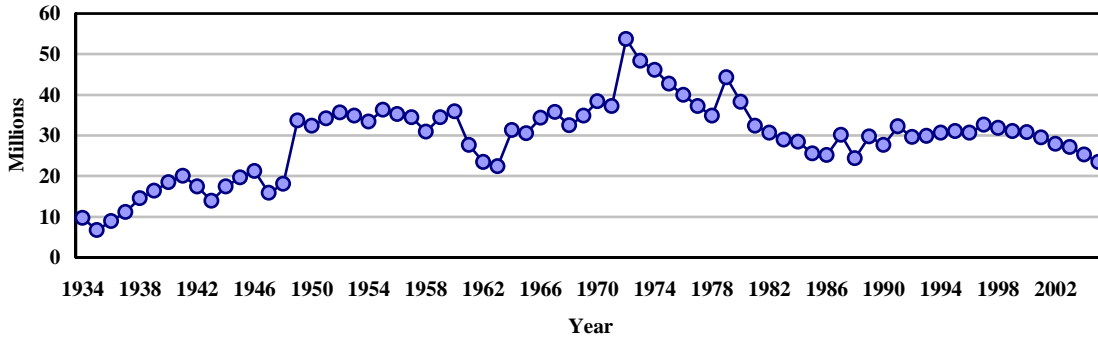


Figure 3. Adjusting annual duck-stamp revenues for inflation discloses that the yearly buying power peaked in 1972, when duck-stamp sales totaled \$10.9 million, equivalent to \$53.8 million today. By comparison, inflation-adjusted 2005 duck-stamp sales totaled only \$23.5 million.

Source: USFWS and USBLs.

The data tells us that although duck stamp sales from 1934-2005 have totaled \$742 million in constant dollars, an amount equal today to \$2.1 billion in inflation-adjusted dollars,² the actual purchasing power of each year’s revenues during the past quarter century has steadily declined.

As you can see in the above graph, from 1972-2005 duck-stamp buying power has declined 56 percent. This tells us our financial wherewithal to purchase wetland habitat is less than half of what it was in the early ‘70s. Moreover, this downward trend is likely to continue, reducing our ability in the coming years to preserve more habitat, especially on the northern prairie breeding grounds.

Some argue this loss of purchasing power is offset by the rising income of Ducks Unlimited,³ but this ignores the major difference between the federal duck-stamp program and Ducks Unlimited.

¹ The U.S. Bureau of Labor Statistics inflation-adjustment model “represents changes in prices of all goods and services purchased for consumption by urban households.” For our analysis, we assume these changes are congruent with the historical price of wetlands.

² Interestingly, after adjusting for inflation, wetlands acquired with duck-stamp money have been purchased for an average of \$404 per acre.

³ For comparison purposes, we asked Ducks Unlimited for a year-by-year listing of its revenues to enable us to convert DU contributions into inflation-adjusted dollars. It refused our request, even though its financial statements are public record. It gave no reason for its refusal.

Ducks Unlimited for the most part offers breeding wetlands only *temporary* protection. This is because the organization relies primarily on short-term (10-year) leases, which leave wetlands vulnerable to destruction once the lease expires. Duck-stamp funds provide wetlands with *permanent* protection, either through outright purchase or permanent easement, thus insuring their continued benefit to waterfowl and waterfowl hunters as far into the future as the eye can see.⁴

Thus, we find ourselves facing two critical issues:

– Should the price of a duck stamp be increased to offset the corrosive effects of inflation? To maintain parity with 1972's peak buying power, the data tells us we would need to raise the price of today's duck stamp from \$15 to \$34.

– Should *permanent* protection be the keystone for protecting our breeding wetlands and insuring a future blessed with bountiful fall flights? If ownership is preferable to short-term rentals, contributions by hunters to DU would be better spent on purchases of additional duck stamps or given to the Delta Waterfowl's Adopt-A-Pothole program. Delta's program, while small, does not lease potholes.

The choices are critical. They not only will determine our future, but whether we have a future.

If we take care of the ducks, the ducks will take care of us.

⁴ From 1937 to the present, Ducks Unlimited has raised \$2.5 billion, compared to \$740 million for the duck-stamp program. On the northern prairie breeding grounds, where DU historically has focused its efforts, the organization has permanently secured approximately 330,000 acres in Canada and 27,000 acres in the northern United States. This compares to *permanently* secured 2.7 million acres on the northern American prairies acquired with duck-stamp money. DU's rent-don't-buy policy is coming under increasing criticism as financially wasteful and contrary to the long-term interests of waterfowl conservation. See [Melancholy Baby](#), Nov. 17, 2005.