

## The Economics of Piracy

### A short essay on what a corsair may be able to get for his troubles.

The following analysis is for a 400tn *Nishemani* class corsair, the classic example pirate ship - probably a refitted armed merchant or paramilitary ship. It has a 110tn cargo bay that can, among other things, hold a 100tn ship - a type-S Scout, a Seeker, an X-Boat, or any one of those small craft that are all over an inhabited system. It also has twenty low berths, so it has somewhere to put the crews of those craft, if they have to be brought along.

Here are the assumptions I'm using for this economic analysis:

#### 1. Pirates need to clear out quickly; for most targets, the patrol will be on the way.

This limits what you can take. Small craft (the big profits). Vehicles. Vac suits. Supplies. Passenger valuables. Select items from the cargo bay. The contents of the ship's safe. Missiles & sand canisters (if the target hasn't "given" them to you already).

What you can't take: Ship components. Bulky cargo items. Fuel. Starship weapons. Valuable things, but you simply don't have the time to get them.

This will not apply if you've hit the target in an un-patrolled system, and that's good - you may well have taken a hit or two from a target well-equipped enough to be in an un-patrolled system alone, you'll need all the booty you can get.

#### 2. It's very hard to jump away a starship you take.

If the target had fuel, it would have jumped away from you. It's almost trivial for the crew of the target to lock out their computers long enough for the patrol to catch up. And if you had to put a couple laser bolts into their Engineering Compartment to convince them to give up, they're not going anywhere anyway.

There will be exceptions to this, but I feel they will be rare enough that we can ignore them for the purposes of this study. The captain who succeeds at taking and selling a major starship has a right to be proud of his unusual accomplishment.

#### 3. You can use or sell what you take.

Here are my assumptions on value for items:

**Starships:** 10% of value. Starships are so well documented that it is expensive to dispose of stolen ones, they may simply be used as auxiliaries to the "pirate fleet". Few will be taken, as per #2 above.

**Small Craft:** 25% of value. They are more ubiquitous, and tend not to be kept track of in interstellar databases as much. (Note: one lifeboat taken will pay all maintenance, life support and salary costs for a 400tn corsair for about three years).

**Vehicles:** 25% of value, for the same reasons as small craft.

**Supplies:** Spare parts, tools and life support essentials can be taken. There is a bit of a handwave here, but I assume that the pirate can use these to defray some costs of life support and to affect the price of his annual maintenance. Total up what the target ship spent on life support for the current trip, and credit the pirate 25% of that towards his life support expenses only. As for annual maintenance, reduce the cost to the standard .1% per year - the stolen parts and tools help make up for the bribes and extra costs, even in a low level zero port, of getting annual maintenance done on a less than legal starship.

**Vac Suits:** assume one per crew member of the target, plus two spares. Each one worth Cr10,000, pirate recoups 25% of that.

**Rescue Balls:** Assume one per passenger including low berths, Cr600 each, pirate recoups 25% of that.

*(Note: I've had people concerned that stealing vac suits and rescue balls will give the pirate a nasty reputation. I'd like to point out that I'm not talking about taking someone's vac suit and then dumping them out the airlock - I'm just talking about not leaving valuables behind. If you're taking the ship, or leaving it without breathable atmosphere, then you should be leaving such survival gear behind.)*

**Passenger valuables:** Assume, as a minimum average, cash and other easily convertible valuables on hand equal to the price paid for passage. These valuables are recouped with no reduction (or the reduction is included in the average). High passenger Cr10,000, Low passenger Cr1000, Middle passenger Cr8,000.

**Ship's Safe:** Ships need to carry cash, they can't remain on-planet long enough for credit to clear in a crisis - whether it's a fine that needs to be paid or an opportunity speculative cargo. Figure as an estimated average, Cr25000 per 100tns of ship. Note that my only real source for this is the Cr100,000 the *March Harrier* had on hand at the start of *The Traveller Adventure*, it may be much higher. This will be in cash, recouped at 100% of value.

*(Note: I've had a question about whether merchant ships will carry any quantities of cash, as any legitimate merchant should be part of a company with offices on each planet, or should be able to quickly land a short-term loan. I think that such "respectable" merchants may be in areas too civilized for piracy to be much of a problem, and there may be other reasons for cash to be kept on hand - considering the transient nature of many starship crewmen, perhaps they must be paid in cash, for example.)*

**Ship's Locker:** Ignored. Assume that items go to replenish equipment stores on the pirate, the locker is really so varied from ship to ship that it's hard to come up with an average. We can safely assume that a pirate ship will run out of storage space, rather than run out of miscellaneous equipment.

*(However, a note: in the AD&D game, the most commonly overlooked type of treasure is household goods. Those kobolds may have only had a handful of pennies, but that big iron cook pot is worth a gold piece or two.)*

**Cargo:** The pirates will have to (very) quickly evaluate the cargo, and guess what they have time to take. A zero-G cargo handler robot or exoskeleton would be a very good thing here. Variation is too high to allow a very useful average value of what can be taken, as one ship may have two tons of gemstones while another may have nothing but grain. I decided on allowing the pirates to recoup an average value of Cr250 per cargo ton of the target (25% of Cr1000 per ton). This allows some losses for travel, middlemen, and the other expenses of getting even a valuable cargo to market.

*(Note: In AD&D, the second most often ignored type of treasure was trade goods. <G>)*

**Passengers:** I decided to leave kidnapping for ransom or slavery out of the equations. There will be exceptions, and I even have some ideas (for later) that the slow communications time of the Imperium may make kidnapping for ransom far easier than it is on Earth today, if you are patient or ruthless enough.

#### **Analysis:**

With the above numbers, I've hit a tentative conclusion as to what a pirate needs to do to keep going:

A Far or Free Trader will get him about Cr100,000. A Fat Trader will get him about MCr3 and change. Small craft are worth several MCr each.

Not counting the value of the ship, the pirate needs to spend about MCr1 a year in maintenance, salary and expenses.

**So:**

One starship taken in the course of a corsair ship's career will pretty much amortize the entire value of the pirate ship for five years or more.

Each small craft taken and popped into the cargo bay will pay expenses for at least two years, or pay part of the value of the pirate vessel. 15 lifeboat/launches is all it takes to completely pay off the current value of a 400tn Corsair, pinnaces and ship's boats are worth even more.

Ten Free Traders taken in a year will pay all expenses except battle damage.

One Fat Trader taken will pay all expenses for about three years except battle damage.

Most battle damage will probably occur in an un-patrolled system, as the stakes are higher and the target vessel probably has better armament. Un-patrolled systems are the only systems where a pirate will want to fight at all - the risks are too high compared to the rewards in a system where patrol ships are en route to the fight. Targets taken in un-patrolled systems can almost always be considered valuable enough to cover cost of damage, unless the damage stops the pirate from jumping back to base.

**Therefore:**

Even if a pirate has to hunt for an entire year to bag one Fat Trader, he's still making reasonable money. I believe this answers some arguments that a pirate loses too much money by lying in wait for targets, or by having to transit several systems to get from a base to a good hunting area.

Income can be far, far higher than just expenses if the pirate hits a few good targets.

This allows there to be enough income potential to make up for the really bad luck a pirate can have - one missile hit can cost millions, even if it doesn't kill you. Piracy therefore becomes high-risk, but very profitable if the risks pan out.

There may be more efficient uses for a starship than piracy, but there are people who cannot do legal careers for various reasons and ships they'd not be able to use legally.

Combine the two, and you get Corsairs. I believe my analyses show that a pirate can make money, if the setting IYTU allows them to survive and travel.

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