Control of Geography, McGill. University 805 Sherbrooke Street West, Montreal PQ H3A 2K6 Canada home: 3 Burton Rd. Hanover, N.H. 03755-2220 USA

Commercial Fisheries in Kodiak, Alaska: Changing Relationships to Maritime Resources in Old Harbor.

e-mail: deborah.robinson@dartmouth.edu

Limited Entry was implemented in salmon fisheries of Kodiak Island, Alaska, in 1975. My thesis research has explored the question of how, over the past twenty years, the limited entry permit system been a factor of change in Old Harbor's salmon fishery. License limitation is one of many factors that have effected fishing and village life, and cannot be altogether isolated from macro-economic factors such as monetization of a formerly marginal subsistence economy, technological innovation, and more complete inclusion in the global economy. In this paper I will refer to changes as they relate to limited entry, focusing on what, to me, is the most disturbing effect of this regulation on the local fishing economy: an exaggeration of skewed distribution of wealth.

(slides) The site of my study was a Native village on Kodiak Island Alaska, approximately 250 air miles south of Anchorage in the Gulf of Alaska. Of the six villages around Kodiak, Old Harbor has maintained the most competitive fishing fleet. It is also Kodiak's largest Native village, with 284 residents at the 1990 census (Kodiak Island Borough 1992). The residents of Old Harbor are predominantly Pacific Eskimos, also referred to as Alutiiqs or Koniags (Befu 1970; Black 1988, 70-82). The economy is based on commercial fishing, and to some extent subsistence hunting and fishing and government transfer payments (Befu 1970). Some hunting, fishing and eco-tourist guiding is conducted, and it is in these areas that the village sees the future of economic development.

1

The change in commercial fisheries management policy to a limited entry permit system allowed the transfer of fishing rights away from Native communities. There has been a significant shift in control of permits statewide from rural to urban residents, and Native villages have been especially hard hit (Kamali 1984; Tingley and Dinneford 1993). This is true in Old Harbor, where of 31 purse seine permits initially issued to villagers in 1975, 26 permits now remain.

Figure 1 shows that, unlike Native Kodiak seiners overall, Old Harbor fishers gained permits in the years 1975-83. From 1983 to 1990, years during which prices and stocks were generally very good, Old Harbor lost permits. This may have been due to increased competition that put some fishers out of business, increased affluence that encouraged migration to cities, or an increased cash incentive to sell out. As Young noted, poor people with little education tend to have cash flow problems, and are likely to use "an exceedingly high discount rate in calculating future benefits", making it more likely that they will sell permits to get cash (1983, 158). In many cases the sale of a permit provided a good source of cash that was badly needed, for instance to purchase a skiff, a four wheeler, or hunting equipment. For some fishermen at retirement age who owned boats in need of significant capital investment, selling their permit provided a pension.

Figure 1
Frequency of Kodiak Purse SeinePermit Transfers Between
Alaskan Natives and Non-Natives for 1975-1993 Period, by Year

Fishery	Year	Transfers by Ak Natives	Transfers to Ak Natives	Transfers by OLH Natives	Transfers to OLH Natives	Net +/- KOD	Net +/- OLH
Kodiak	75	0	2	1	1	2	0
Seine	76	6	4	1	3	-2	2
	77	8	4	5	5	-4	0
	78	7	5	0	1	-2	1
	7 9	7	5	1	1	-2	0
	80	1	4	1	0	3	-1
	81	4	2	0	1	-2	1
	82	8	1	2	2	-7	0
	83	6	2	0	0	-4	0
	84			2	1		-1
	85			3	2		-1
	86			4	2		-2
	87			3	2		-1
	88			6	3		-3
	89			2	2		0
	90			3	2		-1
	93			1	1		0
Total		47	29	35	29	-18	-6

from Kamali 1983; Tingley and Dinneford 1993. Alaska Commercial Fisheries Entry Commission, Juneau

	# Native	(%) Native	# other	(%) other	total permits	∆ Nat permits	∆ Nat %
<u>1975</u> Kodiak Seine	154	(41%)	223	(59%)	377		
Kodiak Set Gillnet	50	(27%)	136	(73%)	186		
<u>1983</u> Kodiak Seine	136	(36%)	241	(64%)	377	-18	(5%)
Kodiak Beach Seine	5	(16%)	26	(84%)	31	- 6	(19%)
Kodiak Set Gillnet	36	(19%)	150	(81%)	186	-14	(18%)

Figure 2: Kodiak Limited Entry Salmon Permits by gear types held by Natives and Non-Natives

from Tingley and Dinneford 1993 Alaska Commercial Fisheries Entry Commission, Juneau. Eight purse seine permits were either sold outside Old Harbor or lost to foreclosure, and at least 2 permits left the village when their holders moved their fulltime residences to other parts of the state. Some of these were replaced by inmigration or the buying permits from outside.

How and why these permits left Native communites is the subject of bitter folk legend (whites got natives drunk and bought their permits for virtually nothing), but it has never been studied on Kodiak. I was not able to substantiate such a story in the Old Harbor case, though I was told that fishermen with substance abuse problems both actively solicited and were solicited by white buyers. To my mind, several permit transfer deals within the village took place under shadier circumstances. These included deals made between various members of the village's most prominent family and less motivated, more economically vulnerable villagers. In one case, the transfer was justified by the buyer out of a concern that the original holder did not have the motivation to fish and would sell the permit outside of the village.

Permit prices have been lowering in recent years, but the substantial amount of cash that permit purchase still requires is a barrier to many buyers. Such barriers can be invitations for exploitation; a 60 day "intent to transfer" waiting period was of no help that I could discern. When cash or barter deals sealed a bargain at day one, renigging 60 days hence would mean repayment, and evidence showed the rule was either not widely known or ignored. CFEC studies indicate that rural Alaskans have been less able, due to educational, cultural and other reasons, to take advantage of loan programs than urbanites (Tingley and Dinneford. 1993). I found that within the village, information concerning state loans, Bureau of Indian Affairs Grants, and other government aid for rural fishermen is closely guarded, and tends to stay amongst the better educated and family-allied fishers.

· 5

Figure 3 <u>Average Permit Price by Year</u>

<u>Gear Type</u>	<u>1983</u>	<u>1990</u>	<u>1992</u>	<u>1994</u> (estimated)
Kodiak Seine	\$69,903	\$146,588	\$ 69,316	\$48,500 ¹
Kodiak Beach Seine	**	\$36,000***	**	\$20,000 ²
Kodiak Set Gillnet	\$57,033	\$109,722 ?	\$109,722	\$108,250 ¹

**less than 4 permits transferred

***based on 1989 price

¹ based on average price of 2 permits sold by Kodiak broker

2 estimation by Kodiak broker; allowable state loan at \$39,000

compiled from Alaska Commercial Fisheries Entry Commission data,

Juneau, and Kodiak permit broker Shelley Thissen

Though the above permit prices may be skewed by state figures for allowable lending rates, they do reflect some of the rapid changes in permit prices. As Oran Young predicted in his 1983 assessment of Alaska's limited entry program, (1983, 121-170), the market has taken a downturn, and permit prices have followed.

3

Crew relations have changed significantly since 1975. Much of this can be traced to a concurrent shift in responsibility once taken by the canneries for paying the crew and filing taxes. Canneries had formerly leased boats to skippers as well as taking care of much of the paperwork involved in running a boat. Processors sold off the vessels to fishermen and relinquished other responsibilities and benefits around the same time that limited entry was instituted. An increase of financial pressures, paperwork, tax responsibility and freedom to manage their own businesses meant that skippers could get into trouble with the Internal Revenue Service more readily than in the past and be pressured to sell the permit to pay up. They could also pay crew members less, or cheat them out of a portion of the agreed on share, which was reported by a number of crewmembers. Crewman's wages are now barely enough to support a single person, and feeding a family or saving enough money for a permit is nearly impossible.

Once a fisherman has a permit, he is pressured to capitalize further in order to compete for available fish. For the fisher who has permit payments as well as vessel and gear loans, the pressure is tremendous. Competition strategies tend to favor the more professionally oriented, high-tech fishers.

The Old Harbor fleet once fit into the island fishing fleet by dominating their local area, and for the most part staying put there. Twenty years ago, a group of brothers from Old Harbor used guns, cut nets and rammed other boats to protect their territory. Today their reputation has cooled, but a boat can still be

7

effectively shut out of fishing in the area by the Old Harbor, fleet if it doesn't follow the local fishing rules. This territoriality has been an effective locally adaptive control mechanism, but is not operable when large numbers of boats congregate, as is happening more often as fishing pressure shifts to cape-intercept fisheries from more terminally-oriented fisheries.

1

Territorial behavior in the Old Harbor fleet resembles a fishing "club", with flexible membership around a family core. Other locals may join by demonstrating high motivation, aggressiveness, and fishing success. Outsiders gain tolerance and privilege in local salmon territories by becoming friendly or combining during herring season or other fisheries, which have become radically more mobile in recent years.

Smaller, less successful local boats are generally favored over outside vessels in Old Harbor's unofficial territory. The more sheltered inside waters where small boats can fish are sometimes at least verbally protected by the club from outsiders. At other times the little boats are considered a nuisance. Several fishermen both inside and outside of the club referred to an attitude of tolerance as demonstrated by a "club" fisherman's comments on the radio one calm day when small boats shared prime fishing grounds: "I wish a breeze would come up and blow these mosquitos away". The "mosquito fleet" or "sliver fleet" (referring to old wooden boats) is an annoyance that the big boys put up with and the little operators cherish as the last stand of old-style fishing.

Since license limitation was implemented, the level of competition has increased to such an extent that fishing locally will not be profitable, or in some cases won't even allow for paying the bills. The fleet now ranges farther to harvest the most desired species (red salmon, not available in significant numbers on the Eastside) and to exploit fish stocks wherever thay can be caught

8

in the greatest abundance. Large boats are better able to travel long distances and to fish in the most difficult conditions.

Old Harbor has adapted better than other Native communities to the limited entry system and to an increasingly competitive and professional fishery. This can in large part be attributed to one large fishing family, who have acted as a block to protect their interests, whether in defense of fishing territory, sharing resources and information, or in political action inside and outside the village. This family suffers, as do most fishermen, Native or not, from problems of limited entry such as having only one permit to hand down to multiple children. But their prosperity has a dark side, as seen this summer when fish prices were bad and unemployed village youths refused to "be treated like niggers" for very low wages, preferring to hang around the village without work. Less competitive fishermen have a hard time making a living in the present market. Two boats, needing repairs, their skippers in debt and unable to find crews, never left the dock all season.

In Old Harbor, it appears that adapting to limited entry, intensified capitalization, and competition has worked well for some. Among the richest fishermen, some of whom have moved to bigger towns or cities during the school year, village lifestyle is claimed to rival mainstream non-rural life in importance, but wanting to live in both worlds too often includes entrenchment of their wealth and increasing poverty of others. Rasmus Rasmussen (personal communication 1994) has observed similar clan dominance in fisheries of Greenland, and commented that social stratification was nothing new. It is the western social and political systems that encourage a widening disparity of wealth without reciprocal social obligations that has developed in recent years, and now threatens the viablility of village fisheries. High school students in Old Harbor look to the future with trepidation. Only about a quarter of them expect to have careers in fishing, or for the girls, to be married to fishermen.

Economic alternatives to commercial fishing are discussed in the village: if successful, they could mean continued prosperity for a limited number of people. But distributional concerns remain the same as in commercial fishing. If distributional problems are not addressed, the village will change significantly over the coming generation. A return to more widespread reliance on subsistence resources is possible to some degree. If salmon prices continue to fall and federal welfare reforms are enacted, it is likely that migration out of the village will skyrocket. This could be avoided if there were sufficient political support to use village corporation funds for a community permit loan program or other incentives to improve crewmen's wages and to help young fishermen get started.

"Lifestyle fishermen" who are in danger of losing boats and permits need new tactics to keep themselves in the fishery. They might get some help that is available from state agencies for financing, but competition remains a problem. They will be the losers if the fleet is effectively made more "efficient" and homogeneous. Native fishermen, professional or lifestyle oriented as they may be, must change in order to maintain their way of life, based on fishing, that has evolved over more than 7000 years. This may involve embracing more technological and idealogical trappings of the modern world, or returning to older ideals of sharing and cooperation in order to weather tough times.

References Cited

Befu, H. 1970. An Ethnographic Sketch of Old Harbor, Alaska: An Eskimo Village Arctic Anthropology 1-2.

Black, L. 1988. The Story of Russian America. In *Crossroads of Continents: Cultures of Siberia and Alaska*. W. Fitzhugh and A. Crowell (eds.), Washington D.C.: Smithsonian Institution Press. pp. 70-82.

Kamali, N. 1984. Alaskan Natives and Limited Fisheries of Alaska: A study of changes in the distribution of permit ownership amongst Alaskan Natives, 1975-1983. Juneau: Alaska Commercial Fisheries Entry Commission.

Kodiak Island Borough. 1992. Village Population statistics Report. Kodiak, Alaska.

Tingley, A. and E. Dinneford. 1993. *Changes in the Distribution of Alaska's Commercial Fisheries Entry Permits* 1975-1992. Juneau: Commercial Fisheries Entry Commission.

Young, O.R. 1983. Fishing by Permit: Restricted Common Property in Practice Ocean Development and International Law Journal 13, (2): 121-170.