

Are ITQs really a panacea?

Controlling who fishes what, where, when and how might be culturally and ecologically more sensible than quota allocations

“Natural resources must be developed and preserved for the benefit of the many and not merely for the profit of a few.”

—The Fight for Conservation by Gifford Pinchot

Someone should carve Gifford Pinchot's words of 1910 in stone and place them outside DG XIV (the Fisheries Commission of the European Union, EU) in Brussels and at the door of the European Parliament.

While Pinchot was writing specifically about the US. Forest Service at the beginning of this century, his words could be justifiably applied to the world's marine fisheries today.

In 2002, there will be a review of the Common Fisheries Policy of the EU. The extent of this review and its legal standing is currently being much debated. Some believe that all aspects are up for re-consideration, while others think that irrevocable decisions were stitched into the Treaty of Corfu for instance, the introduction of Community Fishing Permits after 2002. The most that can be hoped for are decisions on the Shetland Box and the 12-mile limit to free access.

It is doubtful whether the EU intends to radically change its management systems. Rather, the indications are that it merely intends to 'fine-tune' current systems of quota allocations by the introduction of a market mechanism. This article advocates a rethink on such a strategy.

Aided by clichés that abound in the mass media, we, in Europe, appear to be in great danger of being swept along by an uncritical tide of belief that the salvation of fish stocks rests in allocating individual fishers, tradable quotas or Individual Transferable Quotas (ITQs).

When Garret Hardin, a genetic biologist, wrote a paper on birth control and titled it *The Tragedy of the Commons*, academics subsequently overlooked its potential contribution to fisheries management, that is, Hardin's recognition of human problems as not calling for mere technical solutions, and his analysis of how to ensure that people curb their perceived freedom in order that the greater number might be freer.

The mass media, instead, was caught up in the catchy title of Hardin's paper, though its analysis had been clearly and fully explained 14 years earlier by Scott Gordon in *The Economic Theory of a Common Property Resource: the Fishery*. It is difficult to ascertain whether it was the mass media's frequent use of the phrase which dulled the academics' critical capacities to better evaluate Hardin's paper or whether the overused title offered administrators and politicians alike an understanding of not only the problem but also a solution, an understanding which enabled and encouraged them to more readily engage with the academics.

Once the problem and solution could be understood in simple terms, resources in the form of research funds were more willingly directed at addressing the fisheries conundrum.

Interpretation challenged

In more recent times, an increasing number of people are challenging Hardin's interpretation of the commons as applied to fisheries, i.e. the belief that common property resources are by nature open-access and will inevitably lead to tragedy. Indeed, there are those who believe that very few, if any, truly open-access fisheries exist in the world. It is argued that most societies have their own, often unspoken, rules which vary

clearly dictate who can fish what, where, when and how.

As J. Cordell says in *A Sea of Small Boats*, “There aren’t many places where an outsider can just walk into town and start fishing, hauling nets, setting traps and so on. Anyone doubting the validity of this principle has only to try it out.”

However, the move to more centralized management systems, coupled with technological advances have, in certain instances, broken down implicit control systems and, in themselves, have contributed to the creation of greater open-access fisheries.

In uncritically swimming along with the ‘Tragedy of the Commons’ tide, subtle community regimes and controls were ignored. They were not even recognized or understood and were replaced by centralized controls which had little understanding of ‘what’ (fishing) and ‘who’ (fishers) they were attempting to control. This lack of understanding meant that regulations imposed from above were perceived in the fishing communities as having little or no legitimacy and, accordingly, required complex and expensive enforcement arrangements which were of questionable efficiency and effectiveness.

The uncritical acceptance of trite clichés should make us much more wary. Alarming, though, a wave similar to the ‘Tragedy of the Commons’ type appears to be gaining strength around the world—that ITQs are the salvation of the fish stocks because they will:

- generate a more economically efficient fishing industry;
- rationalize production without intervention from public funds;
- create the conditions for sustainable commercial fisheries;
- ensure a more easily manageable sector; and
- result in lower enforcement costs.

Currently, there are too few academic voices being publicly raised against ITQs. The analysis of the problem and its solution seem foolproof, which is the only way it will appear if one is desk-bound and views the sector in a career time span, as opposed to the everyday catch-to-market reality of the fishing community.

There are fishery managers who view ITQ as a means of engineering changes which will make fisheries easier to manage and at minimum cost to public funds; a fishery with fewer ownership units and geographically more centralized in larger ports. These developments greatly simplify the task of administrators. Such simple solutions, however, pay little heed to the ultimate shape of a fishing industry so fashioned and the resultant effects on stock and people.

It is also very difficult for biological scientists, who have been prevalent in fisheries management for long, to concede that their science is too imprecise to enable a numerical approach, such as quotas, to be successful. A dangerous assumption underlying ITQs is that TACS (total allowable catches) are proven mechanisms and that ITQs attempt the fine-tuning of a basically sound concept.

It is possible that the numerical systems’ objective is not conservation, as claimed, but rather, to serve multinational firms which need to work in certainties to provide for the increasingly lucrative international market in quality fish products. Quotas and ITQs create a certain, predictable environment in which firms can plan their purchasing, pricing and product development.

Traditional techniques

In the past 25 years there has been increasing interest in traditional fishing management techniques and much has been written about TURF (Territorial Use Rights in Fisheries) and CMT (Customary Marine Tenure) systems. More recently, attention has focused on community management and co-management regimes, prompted by the perceived failures of modern fisheries management systems. These represent attempts at understanding, more fully, the nature of the fisheries and how, in the past, users

and use of the resource have been managed.

Some people ask: why spend so much energy on stipulating what numerically should or may be extracted when we will never know, with any degree of certainty, what is there in the first place? Not just what is there, but also what processes other than fishing are taking their share of the catch. If these facts can not be ascertained with any degree of certainty, why are we encouraging a supposedly precise system to tackle a very imprecise, complex and possibly chaotic situation?

Such questions suggest that there are possible lessons to be learnt from past fisher communities who concentrated their efforts on maintaining an equilibrium in the marine environment rather than on the numbers to be extracted. It is possible that controlling who fishes what, where, when and how might prove to be more culturally and ecologically sound. A recent draft report on the Common Fisheries Policy after 2002, by the Fisheries Committee of the European Parliament, calls for member state TACs to be assigned to individual fishermen and for measures to “guarantee the proper operation of the market in fishing rights.” The apparent purpose of this proposal (a Motion for a Resolution) is to break away from the system of national quotas which is perceived as

running counter to the introduction of a single market in the fisheries sector. Its intention is to allocate quotas to individual fishermen and to then encourage trade in quotas, thus leaving the market to dictate the restructuring of the fishing fleet. This shows just how strongly the tide of belief in TACs and ITQs has swept over us.

A 1996 paper by E. Ethorsson on the impact of ITQs in Iceland, *Coastal Communities and fish Management: the Case of Icelandic Fisheries*, should serve as a warning on the implications of this numerical system of fisheries management. In particular, the creation of a trade in the system needs to be much more thoroughly and openly debated, before the EU'S Parliament gives its approval to the Motion for a Resolution.

Recent Icelandic experience reveals that from 1984, when ITQs were introduced, until the end of 1993, the fleet has actually increased by nine per cent gross registered tonnage (GRT) and by 17 per cent horsepower. Trawlers over 500 GRT have doubled in aggregate tonnage and small coastal vessels have increased by 57 per cent in tonnage.

Increased share

The large companies, which held 25.5 per cent of ITQs in 1991, increased their share to 47.2 per cent by 1994. There has been a very clear geographical centralization of

the industry and a marginalization of the small fishing communities.

According to the study, “Along with a loss of local control over units of production and a decline of the land-based processing industry, people in these communities are losing their future rights to harvest the fish resources. The fishermen-owned inshore fleet with owned quota is shrinking and, due to quota shortage, many inshore vessels are now dependent on quota leasing arrangements with the larger companies.”

In effect, the landowner becomes a tenant. The fisherman who yesterday sold his large vessel to an expanding company now has to lease quota from the company in order to operate his small inshore vessel. Ethorsson foresees the present trend resulting in the majority of Icelandic ITQs being owned by multinational companies and ponders what the national benefit from such efficiency might be.


In *Reply: Chaos and Parametric Management*, J. A. Wilson, James Acheson and Peter Kleban recently asked the following questions:

- Should rules restraining fishing be designed to emphasize the maintenance of a balance between harvesting and spawning or

should they emphasize the maintenance of system structure?

- Should our scientific agenda emphasize population assessments, as is presently done, or should it emphasize the investigation and monitoring of ecosystem structure and state?
- Should the governance of fisheries continue to emphasize top-down centralized control or is there a need to decentralize and democratize the process?

Merits and demerits

In the context of EU and many other fisheries, greater debate is urgently required on the merits and demerits of the current numerical system of fisheries management—whom does it well serve, and whom does it ill serve? Such a debate is required before, rather than after, any further fine-tuning. Perhaps Pinchot’s words of 1910 might be the best guide for such a debate. 

This article is by Joan McGinley, a fisheries researcher and campaigner, based in Ireland