

A NEOLIBERAL CATCH: ACCESS RIGHTS AND THE CLASH OF COASTAL LIFEMODES

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Abstract

Drawing on research on a recent policy implementation in Denmark, this paper examines the clash between an individual transferable quota system and the lifemodes of small scale fishers. While government managers broadly talk about this system as a success since it led to a quick 25 % fleet reduction, this paper addresses the issues of centralization, capitalization and “marketization”. All three processes are seen as integral parts of a neoliberal management system. While centralization has changed the geographic and social distribution of fishing rights, more or less bringing an end to fishing activities in many communities, the pressure from capitalization and new markets have created an ‘ITQ supermarket’ that re-shapes the ideological dimension and everyday life of fishers. By investigating different strategies chosen by fishers and communities to cope with these changes, this paper gives an insight into the national and local effects of a neoliberal management system.

Introduction

Something had to be done. This was the opinion among most Danish fishers in the years before the introduction of the transferable rights regime in 2007. By that time, decades of different management regimes, introduced to control and limit the fishing effort, had created an unsound sector, with fleet overcapacity and bad economy being the major problems – not to mention discontented fishers and bitter relations between central management and fishers (Schou 2010). Multiple management methods were in effect at the same time; closed seasons, limits on fishing days, tonnage, engine power and regulations of fish sizes. As it was said on many harbors, the multiplicity of regulations 'made fishers in to bureaucrats'. There were plenty of opinions on what exactly ought to be done, and at the center of many discussions was the question of transferable rights. From an outsider's perspective, it seemed like fishers were divided into two groups; either in favor for or against the “marketization” of fishing rights. The group in favor of transferable rights contained mostly large operators, while the group against transferable rights in general comprised smaller operators who seemed concerned about not only their economic future, but also the well-being of their communities. There appeared to be an ideological clash between values of community and individualism, between who should benefit from fishing. The different groups and

interests fought back and forth and used their influence in the professional fishermen's organisation as well as towards the political parties. At the end of the day, something had to be done, and by the end of 2005 it was clear that a transferable rights regime was on its way. In this paper I look at some of the effects of the new individual transferable rights on Danish fishing communities, fishers, and on the geographic movement of fishing rights.

ITQs and small scale fishers

Although transferable rights, often known as Individual Transferable Quotas (ITQs), is not a new management system, ITQs have gained much attention recently (i.e. in the Commission Green Paper on the Reform of the Common Fisheries Policy). For resource managers, ITQ models seem to offer a combined solution to problems of overcapacity, bad economy and the critical environmental situation of fish stocks (Mansfield 2004). However, ITQs have many critical opponents in local communities and among small scale fishers, as well as among researchers in several disciplines, mainly social science. The first part of this paper briefly describes the principles of the Danish ITQ-system for demersal fish species and moves on to discuss how neoliberal ideas and practice can be seen as forming the ideological basis of this management system. The second half of the paper tries to unlock the ideological background of community-based small scale fishers, in this paper seen as a distinct *lifemode*. The definition of small scale fisheries is much discussed and contended in academia as well as among practitioners, often using particular boat sizes, gear or economic performance as indicators of small or large scale fishing. By using the *lifemode* concept, this paper offers a different perspective and definition of the small scale fisher, seeing the small scale fishers as an independent community-based lifemode with a view of life and culture of its own. In the third part I try to show how the economic, practical and ideological sides of the new management regime affect the *lifemode* of the community based fisher.

The Vessel Quota Share model

The Danish ITQ model, also called the Vessel Quota Share model (VQS), attaches a fixed percentage of the national quota to each boat (Ministry of Food and Agriculture 2006). Initially, the allocation was based on a three year catch history of demersal species, including cod, which is the economically most important. The basic principle and novel feature of this system in the management of Danish fisheries is that boat owners can buy another boat in order to acquire additional quota and fishing rights. In other words, a market was created for buying and selling fishing rights, and it was believed that the market would facilitate structural changes in the fleet. This mechanism has led to a quick 25 % reduction in the demersal fleet in 2007-2008 (Schou 2010). Due to this fact alone, the VQS model has been labeled a success, which indicates that for the case of Denmark – and probably in most of the fishing areas of the European Union – the overcapacity problem is the predominant problematic in resource management and environmental governance. On the other hand, critics have pointed out the negative effects for crew and communities, such as loss of access rights, job insecurity, etc., and the risk of speculation and dependence on financial institutions (Højrup 2007, Andersen 2010). The VQS system transforms fishing rights into private property and creates a market for fishing rights, which can now be bought or sold as transferable private property. A special feature of the Danish VQS model, compared to a classic ITQ model, is that the quota share and vessel is linked together, thus leading to a reduction of operators (boat owners) and by time also tonnage in the sector. The responsible ministry writes:

“The intentions with the arrangement are that quota shares will be concentrated on fewer and more effective fishing vessels. In this way the fisheries will become more profitable.” (Author’s translation, Ministry of Food and Agriculture 2010)

A Neoliberal shift?

The VQS model replaces and develops on a management system mainly build on rations, allocated per month or in some cases per year. Introducing property rights and a market for trading of fishing rights is a shift towards a marketization, but is it necessarily a neoliberal shift? In his book “A brief History of Neoliberalism”, David Harvey defines neoliberalism as a:

“... theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices.” (Harvey 2005:2)

Several characteristics of Harveys definition are also central to ITQ and VQS models. A strong emphasis on private rights, free markets and free trade between individuals are all key elements in ITQ inspired models. These elements, free markets and trade, bring not only radical new features into the everyday life of fishers, but also to the fisheries management. In line with Harvey's definition, the role of the state in an ITQ system, compared to a state controlled system, changes somewhat from being the responsible manager and allocator of rights “to create and preserve an institutional framework” for trade and individual private property rights (Harvey 2005:2, see further Miller 2008:80). In a way, the state as the responsible planner is partly replaced by the market, which, it is believed, will regulate the economic activities in the best way for all (Miller 2008:79). Mogens Schou is Adviser to the Minister of Fisheries, and one of the main architects behind the Danish ITQ model. In a recent SAMUDRA magazine he explains how the market will secure the optimal social good:

“The fishery should generate wealth to fishing communities and to society in general. Today this is seldom the case. The Danish case shows that an ITQ management can be designed to accommodate both political priorities and economic efficiency. Thus the capital invested in the fleets can be minimized, and overcapacity removed. Similarly, the output value of the resource can be maximized if the individual fisher is incentivised in relation to his total catch and not just to the fish he chooses to land.” (Schou 2010:23)

Indeed, a central aspect of neoliberal ideas is the strong belief in the individual human being as key to obtaining social good. The political and economic subject of neoliberal thought is not the community or a social citizen, “...with powers or obligations deriving from a membership of a collective body” (Miller 2008:82). Rather, it is an economic individual concerned with his or her own economic pursuit and fulfillment (Miller 2008:82). In neoliberal ideology, thus, if a market for fishing rights is not already there, it must be created, because it is through the interactions between the individual and the market, i.e. the boat owner and the market for fishing rights, that the social good is obtained. For Harvey, neoliberalism:

“... holds that the social good will be maximized by maximizing the reach and frequency of market transactions, and it seeks to bring all human action into the domain of the market. This requires technologies of information creation and capacities to accumulate, store, transfer, analyse, and use massive databases to guide decisions in the global marketplace.” (Harvey 2005:7)

By introducing a narrow focus on individual economic behavior, neoliberal management reforms almost every aspect of the sector, bringing changes to fishers and communities as well as changing the role of the state resource managers. Thus, neoliberal management changes not only that which is managed, but also the management itself.

Neoliberalism of the oceans

While neoliberal principles in general have gained quite a lot of attention in academia as such (Overbeek 1993, Harvey 2005, Miller 2008) it has been less studied in academic literature concerned with fisheries (Mansfield 2004). In disciplines concerned with the management and economics of fisheries, the neoliberal ideas and political project seem to live an unobtrusive but influential life, while only a few anthropologists and social scientists studying ITQs have linked ITQs with neoliberal ideology. One of the few authors who have studied neoliberalism and fisheries in detail is geographer Becky Mansfield. According to Mansfield, the neoliberalism of the oceans is not simply a spillover from general neoliberal trends, but a distinct type with a distinct history. The limited amount of literature linking fisheries and neoliberalism might be due to the historical development of the ocean fisheries:

“Oceans have also long been sites for resource extraction, yet it has not been until recent decades that new economic desires and environmental contradictions have contributed to a pronounced move away from open access and freedom of the seas.” (Mansfield 2004:314)

The environmental contradiction that have necessitated reforms and maybe led to the introduction of neoliberal management is the overexploitation of the fish stocks. Through the 20th century, expansion of the ocean fisheries have been possible due to new technologies and the exploration of new fishing grounds and species. The continuous development and refinement of technologies such as diesel motors, nylon, fish finders and freezing technologies have allowed vessels to move further and further from shore, and to fish with more and more effective gear. When this expansion was no longer possible it was followed by questions about the distribution of the limited fish resource, the common of the oceans. It is as much an environmental crisis as it is a crisis of management. Multiple layers of laws and initiatives to control the fishing effort and re-structure the fleet have been created in the light of depleting fish stocks, and these intertwined rules and regulations are as much a part of the crisis as is the well-being of the fish stocks. This second phase began as a global phenomenon in late 1970s and accelerated in the 1980s with fish dependent Iceland as one of the first countries to introduce ITQs. Since then, ITQs have been one approach to this environmental contradiction, just as community quotas, limited entrance, licensing etc. became other ways to solve this persistent puzzle. Thus, in fisheries, neoliberal thinking is closely related to the questions of the commons, and ITQs is a distinct way of answering this dilemma (Mansfield 2004). The scope of this article does not allow me to go in detail with the academic debate around the commons and the discussions initiated by Garrett Hardin with his renowned article “Tragedy of the Commons” in 1968 (Hardin 1968), all though I wish to point to the resonance between assumptions of individual behavior in Hardin's article and the strong belief in individualism among neoliberals. Several assumptions are shared between the two, especially on notions on economic rationality and individual behavior. They both believe that, due to individual human behavior, lack of private property will lead to economic inefficiency or downfall of the resources. Neoliberalism of the oceans stands in an intimate relation to the questions of commons, and this means that neoliberalism in fisheries cannot be treated simply:

“...as derivative of a larger neoliberal movement that became entrenched starting in the 1980s. Instead, examining trajectories of neoliberalism in fisheries over the past half century reveals that the emphasis on property and the commons has contributed to a more specific dynamic of neoliberalism operating in ocean fisheries and, therefore, to distinctive forms of neoliberalism.” (Mansfield 2004:314)

To summarize, in fisheries management and economics, we can observe a distinct type of neoliberalism which consists of a process, neoliberalization, of creating property rights and tying

these rights to a market and market rationality (Mansfield 2004:314). The process of linking private property and market rationality empirically reveals itself as ITQ models, and can be interpreted as the neoliberal answer to the tragedy of the commons: to the downfall of individual economic behavior in an open-access system without property rights. Thus, in neoliberal thinking, the open-access character of the ocean fisheries combined with the limited resource of fish stocks, which in recent years has led to environmental degradation and conflicts, means that property rights should be introduced and that a market for fishing rights should be created and facilitated. So, in a way, at a theoretical level ITQs is related feature of the environmental and economic management crisis of open access fishing, and therefore it is likely to become an even more applied management method in the coming years. Another side of neoliberalism is, however, neoliberalism as a political project. As David Harvey points out, neoliberalism leads to economic consolidation and monopoly: it has been a way to reestablish and strengthen the established economic elite (Harvey 2005:19 & 80), often through the 'creative destruction' of :

“[...] prior institutional frameworks and powers [...] but also divisions of labour, social relations, welfare provisions, technological mixes, ways of life and thought, reproductive activities, attachments to land and habits of the heart.” (Harvey 2005:3)

Then, we might ask, what is at stake for coastal lifemodes with the introduction of ITQs and a neoliberal management? In which way are fishing activities re-created and which forms of organization and ways of life are disappearing due to 'creative destruction'?

Lifemodes

The notion of a *lifemode* is part of a larger structural and analytical approach, the State and Lifemode Analyzis (Højrup 2003), focused on explaining people's everyday life with a central reference point in occupational differences. In this analytical framework a *lifemode* is understood as a coherent way of structuring life, a pattern repeated from day to day. A *lifemode* forms a whole, a way of life, consisting of production and reproduction and with numerous relations to the surrounding natural resources and political, ideological and social institutions. In (even) more academic terms, a lifemode is a self-reproducing practice, determined by and determining specific relations to the surrounding society and economy. Using this approach, it is possible to analyze small scale fishery as a certain *lifemode* consisting of certain activities with certain necessary conditions in the natural resources and political institutions as well as in the community. From this perspective, it becomes clear that common access to the fish stocks is a basic feature of this partnership-based organization. The small scale fisher also needs a local, regional or international market both for selling fish and buying what is needed to continue the lifemode as an independent fisher (boats, gear, food, etc.) and, at another level, a state that can protect the resource against other fishers from other countries. I will expand this analyzis in greater depth below, when I look at the organization of small scale fishers in Denmark, but already at this very basic level, the analyzis indicates a specific relation to the political level, the state and the central management. We begin to see how ITQs seriously alter the very basics of small scale fishers lifemode; by altering the common access to the resource. In other words, small scale fishers are not just smaller versions of a larger more up-to-date and efficient fleet. To better understand this we need to look closer at the way small scale fishers in Denmark historically have organized their fishing activities before the introduction of the transferable rights regime in 2007, and why the new regulation challenged this organization at its foundation.

The share fisher

The share system, where the fishing activities are organized in guilds or partnerships, can be analyzed as a *lifemode* with a special social and economic organization of the fishing activities. The share system is geographically widespread and has long historical traditions (see for example

Löfgren 1977, Højrup 2001, 2008). In Denmark, the past decades of regulations and structural fleet adjustments have put pressure on this way of organizing fishing activities, especially as bad economy has forced many fishers into fishing by themselves only. The joint ownership of either fishing vessel, gear or the way the catch and income (or sometimes loss) are divided in shares is the core principle of the share system. In general, the alternative to the share system in fisheries is capitalist corporations, where a (sometimes absent) boat owner hires a crew of wage workers to go out and fish for him or her. The two different types of fishers, the share fisher and the wage worker fisher, can be seen as two different lifemodes. In a world with limited resources these two lifemodes compete for the same resource. The two lifemodes differ on certain important aspects, especially in their relations to the means of production (i.e. ownership of boat, gear, knowledge and fish) and this gives rise to different 'ways of life' and 'habits of the heart'. While the share fisher puts pride in “being able to independently plan his own life together with his partners on board” (Andresen 2008:31) the wage worker is fully dependent on the employer. The main focus for a wage worker is on earning as much as possible, to spent in his or her spare time. In cutting contrast, it is not unusual to see a share fisher using a holiday to repair or paint his boat. This is because the concept of spare time is only meaningful for a wage worker, who sells his time for money to spent freely in the spare time, while freedom for the share fisher rather is to be able to keep on as an independent fisher (Andresen 2008). While the share fisher unit consists of a skipper and crew sharing risk and profit, the capitalist corporation comprises several separate lifemodes with different ideological ends and means. The wage worker, manager and investor all have different interests in the production unit and differ in their relation to the means of production. On one hand the capital investor might own the boat and company, but know nothing of fishing, while on the other hand the wage working fisher might hold sophisticated knowledge about i.e. fish migration, but does not profit from a better catch. The share fisher would probably consider these fishers not real fishers, while on the other hand the boat owner might be considered a fisherman by the management, all though he stays on shore.

Table 1: Share fishing, an example

The distribution principle of joint income for a boat with three crew members. Variable costs such as diesel oil, cleaning, packing, and the auctioneer’s fee are paid in advance. The remaining joint income is paid out as follows:

- 20% boat
- 20% nets, lines, snares etc.
- 20% skipper
- 20% second crew member
- 20% third crew member

As a partnership, in the event that the value of the catch does not exceed the variable costs, the partners are financially obligated to make this up, earning, in effect, a negative income.

Taken from (and slightly altered) “The Tragedy of Enclosure” (Andresen 2008).

The social dimension of share fishing

Whereas the wage system structures a capitalist unit, a share fishing unit is not structured according to economic relations. Since the crew is made up of a number of local fishers, sometimes changing in size according to season or ambitions, social relations are rather important in structuring the share fishing unit:

”Social relations in the form of family ties, cooperative relations among colleagues and other ideologically-based social forms tie the producers together into cohesive

production units [...] The result, however, is that the concepts of “partners” and “family” assume a radically different meaning than they do among wage-earners, where the family comprises a framework for various “re-productive” activities. (Monrad Hansen 2001)

The social relations between fishers in a community are marked by the fact that they are potential partners, or have been in the past, if they are not cousins, neighbors or related in other ways. In addition, the fishing units are part of a competitive, but cooperating group of fishing units in the community: they compete for fish, but cooperate through information sharing and planning of fishing activities, i.e. harbor investments (Andersen 1972, Löfgren 1977). The important knowledge about fishing grounds, gear, seasonal differences, fish migrations etc. are passed on from partner to partner, from generation to generation. Not from manager to crew, but from partner to partner. This means a certain shared ideology is negotiated and developed for the group of fishers, families and community. The shared ideology comprises a multitude of ideas of what a ‘real’ fisher is, what is accepted behavior, what are the goals of the community in relation to individual benefits and ambitions etc. This shared ideology is not static, and probably changes with a range of factors, but for now, I will point out the two sides of the shared ideology: it is a function of the way the fishing unit is structured, and the shared ‘way of life’ is needed to structure the fishing units in the community. This social and ideological dimension of share fishers is somewhat familiar to the concept of social capital, and what can be called *relational social capital*:

“The relational dimension refers to the kind of interaction produced among the individuals as a result of long-lasting relationships. Thus, this dimension regards the governance mechanisms of relations embedded in these ties, that is, the kind of behavioural norms fostering cooperation such as confidence, reciprocity and solidarity.” (Nardone 2010:65)

I put emphasis on this since it is likely that the introduction of ITQs will alter this basic social dimension of share fishing, to creatively destroy the social capital in communities, so to speak. The two different ways of structuring fishing activities, and the different lifemodes attached to these modes of production, have dominated the fisheries in Denmark the last hundred years, using new developments in technology to fight each other. The ITQs have introduced yet another dimension in their competition for resources, the exclusive ownership of fishing rights.

A fisher is a fisher is a boat owner

The radical change brought about with the new system is mirrored in an interesting linguistic change that has occurred with the meaning of the word *fisher*. The word has changed meaning from a person on board a ship engaged in fishing activities to an owner of a boat with fishing rights. This displacement is symbolic for the effects of the ITQ system. Earlier there was a kind of symmetry in access to fish – every *fisher* on board contributed to the catch, and the limits were set by the management or fishing abilities. When the ITQs were implemented they were given as private property to the boat owners. So when in the following quote the word *fishermen* appear, what technically is meant are boat owners:

“By giving the fishermen a share that reflected their actual fishery, the management accommodated the fishermen who were opposed to ITQs.” (Schou 2010:19)

With this definition of a fisherman, the crew, whether they are share fishers or wage workers, are left out, following the exclusion from the term *fishermen*. In the allocation process the crew members are excluded together with everyone else, dock workers, fish processors, fisher-wives etc, who took part in creating the value chain in the fisheries. The crew especially had helped to make the historical catch possible that was used as a basis for the allocation of ITQs.

“However, these skilful fishermen have no claim to the quota, and when the vessel and its quota are sold, they receive no compensation for their many years of co-operation.” (Andersen 2010:25)

There is a certain element of injustice or paradox in basing quotas on the catch history and then disregarding the crew members, who were instrumental for securing that catch, in the final allocation. As a consequence, access to fish is a privilege and private property of boat owners, and the basic equality of the share system has disappeared – or at least it has been seriously challenged (Højrup 2007 & 2009). So, when the common access to fishing resources was changed, the social symmetry of share fishers was also affected, and the next years and further studies will show the effects of this on the shared ideology and beliefs of small scale fishers, i.e. of the balance between individualism and community. In the next part of this paper I will take the first steps into this quest and look at some of the effects and consequences of the 2007 ITQ system.

Mapping the development

Tracking the geographic movement of fishing rights is complicated by the setup of official statistics which are concerned mainly with boat and crew sizes, catch shares and similar information and less with the social and geographic distribution of quota rights. Thus, the statistics are more focused on which of the five catch zones the fish was caught in, and less where the fisher resides. The following maps and conclusions are based on data from the public authority on boats per harbor and data showing the cod quota holders' registered address. When the news about the new regulation hit the harbors in late 2005, there was an immediate reaction, and the trade with boats began more than one year before the individual quota shares were publicly announced. Thus, when the first data was typed in to the new statistics of the Vessel Quota System (from 1st of January 2007), there had already been a 'race for fishing rights' going on that was not picked up by the statistics. However, the statistical data shows a clear picture of quota migration and a growing concentration of fishing activities in fewer harbors and certain areas of Denmark.

Quota concentration in the North and West

All though a relatively small country, Denmark has a very long coast line with more than 7000 km of coast, and nowhere in Denmark is further than 52 km away from the coast. On the western side of Denmark is the North Sea, host to several economically important fisheries and responsible for nearly 5 % of the world catch. The North Sea is important not only to Danish fishers, but also British, Dutch, German and Norwegian fishers. On the eastern side of Denmark is the Baltic Sea, which is less diverse but rich on cod, and in the middle of this are numerous islands and the waters of Kattegat and Skagerrak shared between Sweden, Denmark and Norway. The seas around Denmark are technically split into five fishing areas or catch zones, which more or less arbitrarily cover the North Sea, Skagerrak, Kattegat, Eastern Baltic Sea and Western Baltic Sea. At the time of the implementation, boats were allocated quota shares in each of the five areas, where their 3-year catch history showed activity. Thus, it was not uncommon that a boat would be allocated quota for demersal species in several or sometimes all five areas, although most vessels would be concentrated in one or two catch zones.

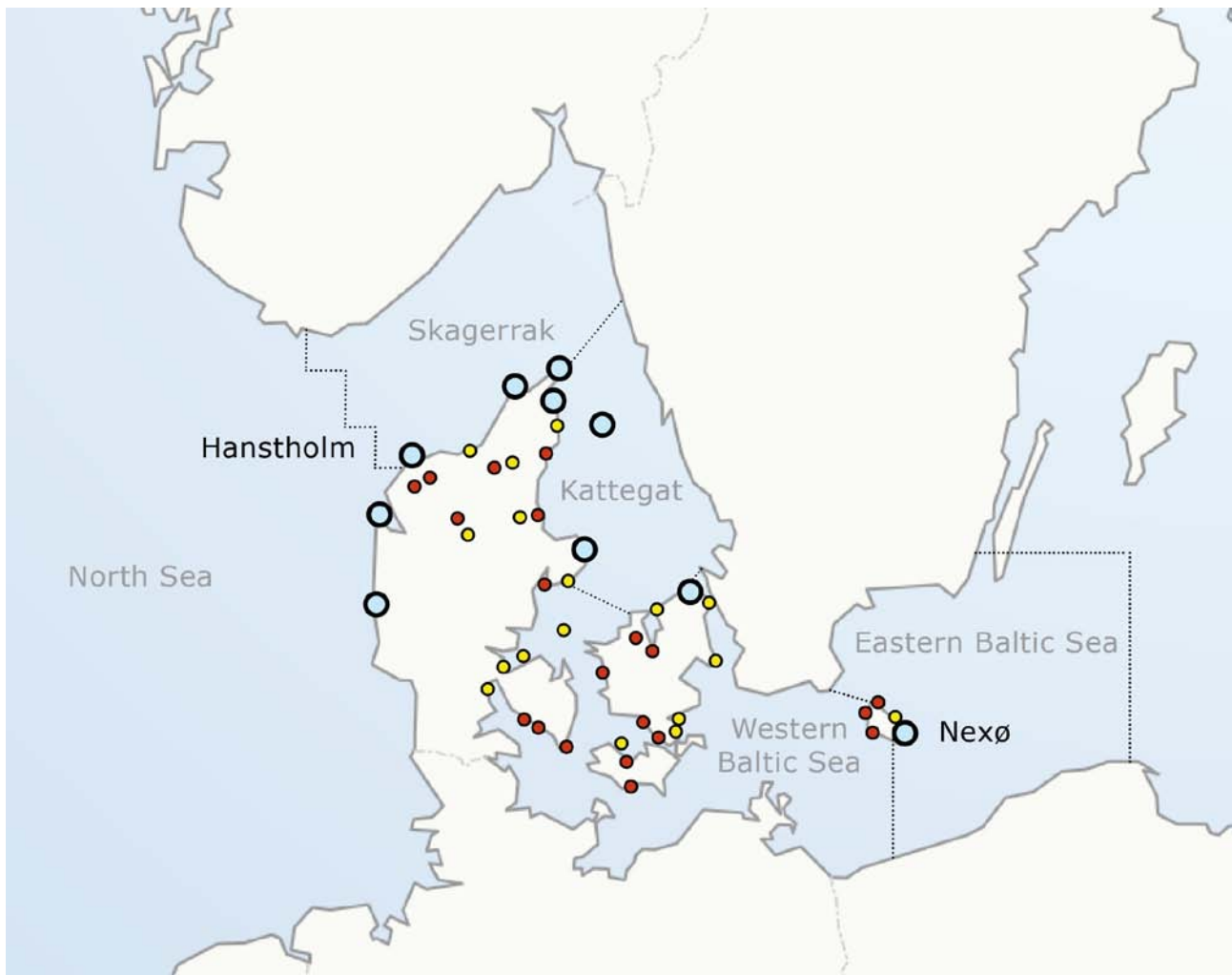


Figure 1: 40% of the Danish cod is owned by fishers in 10 harbors (blue dots), mainly in the northern and western part of Denmark. Red dots indicate a harbor where fishing activities have disappeared since 2006, and yellow dots have half or less the amount of vessels compared to 2006 numbers.

The concentration of fishing rights in the western and northern part of Denmark, can probably be explained by the economic importance of the North Sea fisheries, and therefore a higher willingness to invest in further fishing rights. Fishers from other areas tell stories about proactive fishers from the North Sea areas who started buying vessels already from the end of 2005 and early 2006. In contrast to others, these fishers had the support from a range of local banks, who were well informed on the ITQ system and willing to give loans to support an aggressive buying-up strategy. So while the proactive fishers had a head start, the late runners entered the market when prices had already gone up. Hanstholm is an example of a harbor that has grown after the introduction of ITQs. With a strategic placement between the waters of the North Sea and Skagerrak, the harbor has increased its cod quota with 230 %, and together fishers in Hanstholm are nationally the largest holder of cod quota. The harbor has announced an ambition of becoming ‘the fishing harbor no. 1 in Europe’.

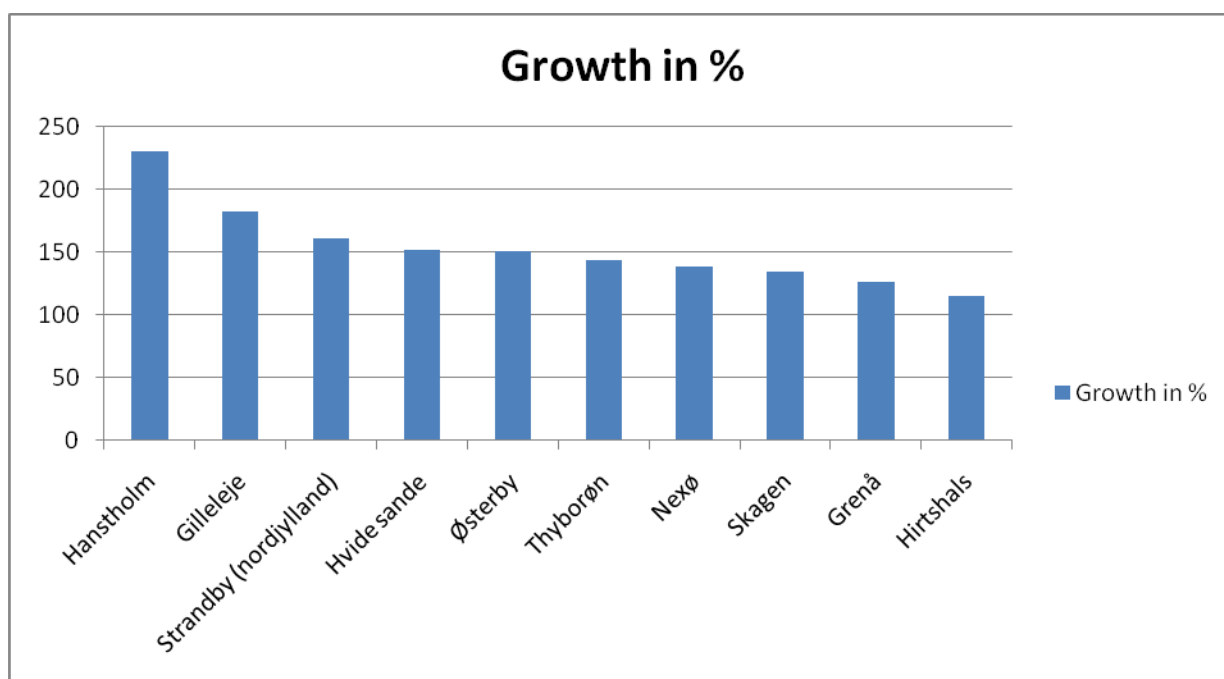


Figure 2 – Growth in allocated cod quota in %.

Fishers in Hanstholm harbor hold the largest amount of cod quota in Denmark, and it is not only a major player on the nearby fishing grounds: Hanstholm fishers have cod quota in all five zones and are even the second largest holder in the most distant catch area (Eastern Baltic Sea). The concentration in large harbors means that many minor harbors have disappeared completely while a few of the larger harbors have also grown negatively.

The ITQ Supermarket

It is clear that the ITQs have created not only a market for fishing rights, but rather a supermarket, understood as a market with rows of shelves full of different goods, and with varieties of the same good, i.e. different kind of tooth pastes, or in this case different fishing rights. Besides the already existing market for boats and vessels, a broad range of new ‘goods’ have been introduced (or invented) for the ITQ supermarket. The table below shows prices for cod quota per kilo as they were in September 2010 and when the prices peaked in 2008 before the financial crisis. For the Eastern Baltic Sea Cod the current price is the highest – which can be explained by the recent increase in the Total Allowable Catch (TAC) in this area after many years of cutting down, and therefore a rising demand and interest in this quota. Notice that cod quota in each catch area is a distinct good.

Table 2 – Prices in Danish Kroner for a kilo cod in each of the five catch areas

* Broker not sure of prices in this area, since there is little trade going on – but believed that these prices follow prices for the North Sea

** Peak price is the same as the current price. 2008 price unknown, but lower.

Fish and catch area	Kilo prices September 2010	Peak kilo prices (in 2008)	Average fresh cod auction kilo prices in August 2010
Cod – North Sea	85	250	29
Cod – Skagerrak	100	280	29
Cod – Kattegat	(85)*	(250)*	(29)
Cod – Eastern Baltic Sea	35	35**	18
Cod – Western Baltic Sea	28	50	18

According to the ship brokers, who are a key point in the ITQ supermarket, the knowledge of these prices and their development are fairly well known among fishers. Fishers are aware of this because the prices fluctuate according to the rate of return – which are the auction prices – and the availability of finances, i.e. credit worthiness. In general access to loan capital is much harder today compared to the 2006-2008 period, and this, in addition to the lower auction prices, explains the generally lower prices for cod quota today than in 2008. When the ten fishers from Hasle mentioned below entered the ITQ system, the price for their main species of cod (Western Baltic Cod) was 12-14 kroner per kilo, but it quickly rose to 50 kroner, and today the price is around 28 kroner. It is worth pointing out that the investment and rate of return in some cases are close to ten to one – which means that the fisher will have to fish the fish ten times to pay back a potential loan, and this is without even including cost of operation or loans into the equation!

Another boat in the Supermarket – an example

In this example a boat is sold with fishing rights for a range of species (see the table below). The price it set at 397,000 kroner and the total value of the fishing rights constitutes 87 % of the total price. The remaining 13 % is the boat, but not just the boat as wood, metal, gear, technology, hull, etc. There is another range of goods, kilowatt and gross tonnage, which both can be sold as immaterial rights, and which are needed in order to comply with an older set of regulations (in order to build new boats and engines and to obtain the so-called Kilowatt sea-days. Thus, the ITQ (super)marketization has led to a capitalization of fishing rights and management technologies as tonnage and kilowatt.

Table 3 – an example of a boat put on the market with fishing rights. The value of the fishing rights constitutes 87 % of the proposed value.

Fish	Catch Area	Catch Share 0/00	= kilo current year
Sole	North Sea	0.13	50
Plaice	North Sea	0.50	4500
Norwegian lobster	North Sea	9	11500
Haddock	North Sea	0.03	30
European hake	North Sea	1.36	1200
Turbot	North Sea	1.60	900

The ITQ supermarket gives the fishers some degree of flexibility to switch around and organize their fisheries to fit their ambitions, if they are willing to invest in boats, fishing rights, gross tonnage and kilowatt. On the other hand, fishers lose some flexibility, since they are not able to switch to other fisheries if, for example, cod prices are too low to pay of investments. The ability to modify and adjust to fluctuating resources and prices has been one of the principal means of survival for Danish fishers in the last decades (Byskov 2010), and this is no longer possible to the same extent. A new element which contributes to more flexibility is ‘fish pools’, where fishers can rent the different quotas from day to day. The fish pools have been developed mainly by fishers themselves, and have a positive side-effect by reducing discard. If a fisher on a fishing trip experiences catches exceeding his quota, he will be able to buy immediately from the pool, and thus avoid discarding the fish. To further illustrate the local dynamics of quota migration, I will take a closer look at the island Bornholm.

Table 4 – Transactions in the ‘fish pool’ during one week of September 2010. (Fiskeripulje.dk)

Weekday	Transactions	Total amount of kilos
Thursday	118	4,781,930
Friday	94	708,048
Saturday	32	150,811
Sunday	63	1,020,443
Monday	91	1,888,403
Tuesday	98	1,859,857
Wednesday	63	939,818

Bornholm – a lucrative marketplace

More than 75 vessels have disappeared from Bornholm since 2004 out of a total of 180. Today there are 11 harbors with fishers holding cod quota and these harbors are port of call for a total of 94 vessels. The island is an example of how fast the trade took off and how it impacted a diverse region with both small scale local harbors and big industrial fishing harbors. In an interview in 2007 after the implementation of the ITQs, the leader of the local fisherman's organization who warned against the system said

“Unfortunately, I have to say I was right, even more than I wanted to. By now more or less half the fleet has been traded. It is predominantly the smaller boats, which have been traded. This means that we now have several harbors on Bornholm with only one, two or three vessels left. This is not at all enough to make up the income for a harbor, a craftsman or a fish buyer. (Author’s translation from Byskov 2010:47-48)

On Bornholm, the dominant fishing harbor, Nexø, has increased its quota amount significantly, but the harbor has still seen 22 fishing vessels disappear. The quota increase has mainly been concentrated in two large trawlers, R231 “Ocean Laura” and R161 “Christina Michelle”. These two trawlers have absorbed more than 10 other vessels (Ocean Laura absorbed nine). While the two trawlers mentioned above have bought up both locally and outside, Bornholm was also a lucrative market for the first movers in the ITQ supermarket. This partly explains why fishers in a distant town as Hanstholm hold second largest amount of cod quota in the Eastern Baltic Sea. The vessels from Bornholm were bought for their historical rights in other – and more valuable catch zones – and not for their local fish. Since the decline in the fisheries from Bornholm, the fish processor has closed down their facilities and larger vessels therefore land their catch in other harbors (in Poland) where they get a higher price.

Buy, sell or wait?

In the town of Hasle on the west coast of Bornholm there is a long history of fishing. At the introduction of ITQs, 10 vessels were still active. But in the first year, three fishers sold their vessels, while four fishers bought or swapped quota in order to reorganize their effort under the new regime. Only two fishers kept things as they were, and one migrated into a limited commercial category. One of the fishers who actually bought quota later framed the new ITQ system as a ‘public scrapping reform, but with the fishers paying the bill’. Among the reasons for selling *bad economy, high level of bureaucracy* and *retirement* is mentioned, and it is likely that the 25 % fleet reduction made in the first year of ITQ was dominated by these two categories: vessel owners with bad economy and pensioners. For vessel owners with bad economy, the monetary value of the allocated quota made it possible to sell their vessel and pay back the banks – one of them the publicly owned Fisheries Bank. They could then leave the fishing sector and the vicious circle of investments and declining fishing stocks without debt, sometimes even with cash to invest in a new future outside the fisheries. The pensioners on the other hand were close to the age of retirement and got a kind of retirement bonus, a chance to leave a life as a fisher that was not what it used to

be, but now with a cash reward. At the same time they did not have sons who were lined up to take over the fishing business. Selling the fishing rights out of the community on the market would mean – at least for a time period – that this resource and the related economic activities would disappear from the community. The rising average age of active fishers indicates that we will see another wave of pensioners in a few years, most probably leading to another number of harbors disappearing as active fishing harbors. The high number of fishers (vessels) leaving the sector as a consequence of the ITQ system is a feature of the design ideas behind the ITQ system, which were to deal with overcapacity. The adviser to the minister of fisheries, Mogens Schou writes:

“While it is perfectly possible to ensure a structure benefitting small-scale fisheries, it is not within the logic of ITQs to allow overcapacity to persist. Thus, introducing ITQs in a situation with overcapacity will result in fewer vessels and empty spaces in some harbours.”

Others argue that the ITQ system is harmful to the small scale sector and the communities:

“A visible result of the new system is that many of the small fishing ports are almost emptied of small and medium-size vessels. Formerly lively and vibrant coastal fishing communities are now almost desolate [...] The consequence of the adoption of ITQs is the same everywhere: The big vessel owners, with large capital, buy up the smaller ones.” (Andersen 2010:24)

Conclusion - the market as the new thing

For Bornholm there has been a clear trend towards centralization on fewer and larger vessels concentrated in fewer harbors. On a national level, it seems to be the same development, all though in some places to a lesser extent. The decline of Esbjerg, once the biggest fishing harbor in Denmark with more than 600 vessels and today hardly any, serves a case to show that even the largest industrial harbors can lose out to neighboring towns (all though the decline cannot be explained by only ITQs). For the share fisher, social institutions and traditions organized around the partnership have been altered and the neoliberal belief in free trade and private property has become the basis for the management of fishing. The ITQ supermarket and ‘fish pools’ maximize the interactions between the fishers and the market, and these transactions with the market are considered as one of the main ingredients in both neoliberal thinking (to obtain social good) and in an effective ITQ system (to restructure the fleet). Thus, as Mogens Schou writes (2010:19), the main criteria for an effective ITQ management – ownership and transferability – are met to a very high degree, in perfect accordance with the neoliberal thoughts.

The price development on these markets have to be monitored and considered for the long term perspective, especially in the case of desires for a new vessel, or if installments cannot be paid to the bank. In a shorter term perspective, renting of fish quotas can be considered. In general it is the vessel owner as an individual, more than fishers or fishing communities, who engage and interact with the market. In the ITQ supermarket the customer is an economic individual free of social obligations. The market-led concerns are taking over from family concerns (i.e., how to pass the fishing business on to a son or daughter) or considerations for the community (i.e. the welfare of others). As one fisher said, “today it's everybody against each other. If something is for your benefit, but harmful for others you won't say a thing.” Perhaps those who were not prepared for this individualism have taken the opportunity and left the fishing sector. In that way, the creation of an ITQ supermarket has favored and maybe also fostered individualism and agents who are comfortable with the market. Large operators and investors are used to the way the market works and have their eyes set on profit, while the system handicaps initiatives seeking to protect community, personal and family relations.

The clash between small scale fishers and neoliberal management is taking place on a range of broad and profound concepts such as rationality, individualism, community, modernization, social organization and economics. These are not universal concepts, but have different values and meanings in different lifemodes and places. To better support and manage for the lifemodes of share fishers, the design of an ITQ system would need to be changed and challenged on certain aspects such as private property and transferability. As it stands, in a process of neoliberal creative destruction, the conditions for a way of life as a share fisher are seriously threatened together with boats, activities and a culture of its own.

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