

Tipping the Scales: The Failure of Fisheries Management

In an industry characterized by rules, red tape, and multiple management regimes, Professor Jon G. Sutinen says that it is the informal interactions between interest groups and politicians that is a principal cause of failure of fisheries management in the region, the nation, and elsewhere. While the consequences of this failure—including overexploited fish stocks, product waste, low incomes for fishermen, low tax revenues, and user conflicts—demand addressing, Sutinen, URI professor of environmental and natural resource economics, says that millions of tax dollars have been wasted on programs that were destined to fail.

While recognizing that fisheries issues are complex, Sutinen applies economic reasoning to the fisheries management system, calling it a marketplace with basic links between supply—legislatures that make laws and appropriate tax revenues and government regulatory agencies—and demand—interest groups, which are divided into strong interests (resource users, coastal municipalities, and environmentalists) and weak interests (the general public).

“Fishermen and their lobbyists spend a lot of time in Washington and state capitals,” says Sutinen, and elected officials do their best to satisfy these constituents through legislation, regulation, and transfer payments, such as bailouts. According to Sutinen, this system fails as a management strategy for two main reasons: (1) shortsightedness of interest groups demanding immediate relief and of politicians looking toward reelection in short cycles, and (2) decoupled costs and benefits, meaning that weak interests are footing the bill, while those with a strong interest reap the benefits. The idea of paying today for delayed benefits is a tough sell both to fishermen, who face the uncertainty that the future benefits from their sacrifice today may be taken away from them by the government or other fishermen, and to politicians, who “want certain and short-term outcomes,” Sutinen says.

Sutinen points to a \$25-million vessel-buyback program and \$30 million spent on alternative fisheries development as costly failures. If Congress had consulted the experts, Sutinen says, it may have learned that buyback programs had already failed elsewhere in the world, benefiting a few at the cost of many, with few long-term gains. Sutinen also cited two cases of the New England Fishery Management Council instituting regulations, such as increases in mesh size and in lobster carapace length, that they later cancelled in response to political pressure from fishing interest groups (although lobstermen eventually enacted carapace limits themselves).

Sutinen suggested instead alternative management schemes that give fishermen more management authority and more assurance that the benefits from their sacrifice will not be taken away. Strategies such as individual transferable quotas (catch limits, called ITQs, that fishermen “own” and can sell or trade) and community-based management have succeeded in Canada, Australia, New Zealand, and Iceland. In these strategies, fishermen pay for management services, and because they have the security of ownership, they

are willing to invest—in some cases 100 percent—for enforcement. They even pay for research.

Sutinen points out that these alternative management strategies were implemented as a result of crises that discredited various fishing interest groups, but that political pressure is still a factor, tilted in favor of stronger interests and away from environmental groups that rely on donations. Money that might address problems is being diverted into court battles. A major question remains: “How do you get politicians to agree to ITQs and community-based management?”

Jon Sutinen's primary research interests are fisheries management and regulation with an emphasis on compliance and enforcement. His current research focuses on several bioeconomic aspects of New England marine fisheries and the Northeast Large Marine Ecosystem. He has received Sea Grant funding in recent years to conduct studies on human dimensions of large marine ecosystems, management of transboundary fisheries on the Northeast Continental Shelf, economic consequences of protecting and conserving fish habitat, compliance and enforcement in resource management, and species selection and economic performance in the New England groundfish fishery.

—Monica Allard Cox