

# Fixing Global Fisheries

## Reconciling Domestic Incentives and International Commitments

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**SUMMARY** Effective implementation of recent international fisheries agreements requires addressing the *power disconnects* that shield large corporations from the repercussions of their choices and actions. Comprehensive governance solutions like traditional use-rights fisheries, marine protected areas, and ecosystem-based management can be successful if combined with political initiative, public demand, and a focus on *precursors to governance*, such as altering the alignment of incentives and shifting the distribution of resources.

It is an exciting time in the realm of international fisheries governance, with major agreements finally gaining some momentum. But their successful implementation will require addressing *power disconnects* where companies and consumers are insulated from the negative economic and environmental effects of their decisions. Narrowing these power disconnects is possible, but it will require a public narrative to mobilize latent interest groups, thereby creating political will for change.

Two recently concluded agreements, the World Trade Organization Agreement on Fisheries Subsidies and the United Nations (UN) Agreement on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction, were recently signed and are now open for ratification. A new UN agreement on oceans plastics is currently being negotiated. These important negotiations are occurring alongside the efforts of the UN Decade of Oceans Science, the UN Sustainable Development Goal 14: Life Under Water, and Blue Economy programs that are designed to generate economic growth from sustainable uses of the oceans.

These international efforts have great potential to improve global fisheries. However, until the agreements and policy commitments they engender are implemented at the domestic level, their benefits will remain *in potentia*. The WTO Agreement on Fisheries Subsidies, for example, aims to discipline and regulate subsidies to fishing interests. While it's true that economic factors are major drivers of overfishing globally, fixing



these market failures requires effective government intervention. But as with economic incentives, political incentives are not aligned toward effective governance. In major fishing countries, those who gain from overexploitation have greater influence over policy than those who are harmed by it. Until we address this underlying power disconnect, the *precursors to governance* will not align toward effective international action on fishing subsidies or improved sustainability.

## **POWER DISCONNECTS IN GLOBAL FISHERIES**

Like many sectors of the global economy, seafood production throughout the world is dominated by a few transnational corporations. They wield most of the economic and political power in fisheries and can thus insulate themselves from the economic consequences of their actions. The small- to medium-scale commercial and subsistence fishers most affected by those actions lack the power to prevent them. This creates a wide power disconnect between the two groups.

Take overfishing. If fish stocks are over-exploited in one area, corporations either move their fleets or buy product from other sources. When more valuable stocks dwindle, they use marketing to turn “trash fish” into “trending fish.” Instead of resisting government regulations, powerful fishing interests are adept at influencing decision makers to ensure that fisheries regulations and policies suit their interests. They invest heavily in lobbying to convince politicians to approve massive subsidies to keep their fleets fishing, despite reduced fish stocks and higher costs of fishing that might otherwise drive down their profits.<sup>1</sup> In contrast, smaller fishing companies and subsistence fishing communities cannot avoid the costs of overfishing, so they have incentives to foster sustainable fisheries but lack the power to ensure effective fisheries governance.

Another important power disconnect occurs on the other side of the market equation. Consumers lack the resources they need to discipline producers through markets. Prices do not reflect the many externalities associated with overfishing or other practices used to maintain artificially low costs of production, like forced labor. Supply chains are also long, convoluted, and difficult to trace. Even a wholesale giant like Costco has had trouble finding out where the shrimp it sells comes from, or whether it was processed by victims of human trafficking. So, some consumers are willing and able to pay more for sustainably harvested and ethically produced seafood but lack the information they need to make a well-informed choice.<sup>2</sup> Other consumers might prefer to pay more but cannot afford to do so, which speaks to broader economic problems I will return to later.

## **PRECURSORS TO GOVERNANCE**

Despite these power disconnects, people have developed many effective options for governing fisheries and the seafood industry more broadly. Traditional use-rights fisheries, marine protected areas, ecosystem-based management, and other solutions to overfishing have been effectively implemented in some cases. However, these same policies can be ineffective if they are used performatively, giving the appearance

of governance without really changing resource use, or widening power disconnects by marginalizing groups who have incentives to protect marine ecosystems.<sup>3</sup> This is why politics are so important and why we need to pay attention to the *precursors to governance*, or the dynamic processes that alter power disconnects by changing the alignment among three capacities: incentives, understanding, and resources.<sup>4</sup>

For example, each of these precursors to governance can help to narrow power disconnects and make effective governance more likely:

- Entrepreneurship (technical or political) can change incentives by providing options that are both effective *and* acceptable to vested interests.
- Learning through experience can clarify or redistribute perceived risks, changing understanding and providing incentives to powerful actors.
- The distribution of resources, particularly political power, can shift with the mobilization of latent interest groups, transferring resources to people who have the incentives and understanding needed to design and implement effective governance.

While the first two precursors are important and have been observed in many of the cases of successful governance mentioned earlier, the third precursor usually requires broader system change. Latent interests are groups of people who *could* wield political power but generally do not because they are focused on other things.<sup>5</sup> While some latent interest groups might be mobilized by a single issue, large groups (a.k.a., the “silent majority” or the “general public”) are more likely to act together when faced by multiple, pressing, and clearly interrelated issues.

To date, fisheries tend to be governed separately from other issues, including seafood processing and worker health and safety, whether at sea or on shore. Unless and until fisheries policy is reconnected to other environmental and social justice issues, vested interests will continue to dominate most fisheries governance systems. Furthermore, consumers will not be able to effectively influence seafood markets until issues of social justice—like market failures associated with forced labor, environmental externalities, and the inequitable distribution of resources—are resolved. Once these fundamental causes of overfishing are addressed, consumers will be able to get the information that they need to choose sustainable options, and many more will have the resources to do so.

For instance, the Chinese government recently banned shark fin soup at government functions and banned shark finning for several endangered shark species. Pressure for these policies was initiated by environmental groups both within and outside China but the ban also coincided with President Xi Jing Ping’s campaign against moral and economic corruption in the Chinese Communist Party. The President saw the bans as an opportunity to hit two birds with one stone—or perhaps to catch three fish with one spear—to placate domestic interests, to appear as a conservation leader on the international stage, and to tackle overindulgence among Party elites all at the same time. While demand in China did drop precipitously after the ban on shark fin soup, enforcing finning bans has proven more difficult and will require additional pressure from government officials and party elites.<sup>6</sup>

Historically, the best examples of effective changes in the precursors to governance come from the realm of food safety, but we can also learn from the movement to protect dolphins in tuna fisheries in the eastern Pacific Ocean. In both cases, consumers cared enough about the issue to demand change from both the government and industry, and, because of this, both the government and industry found ways to work together to ensure seafood safety (1800s) and to produce and label dolphin-safe tuna (1990s). Specifically, they improved food safety canning equipment and developed new technologies to avoid incidental killing of dolphins in tuna fisheries. They also instituted reliable monitoring, enforcement, and labeling systems. These advances made it possible to address consumer concerns while increasing profitability for the participating corporations.<sup>7</sup>

Similar “Baptists and bootleggers”<sup>8</sup> alliances have occurred on other issues, often initiated by good journalism that brings the issue to an interested public. In all three of the examples above, the public was not just concerned about fisheries or charismatic species. While botulism in canned tuna caused sensational news stories, they were just a few of the food-quality issues that energized public concern—and public policy development—on the issue. Concern about dolphins rose in the 1970s, along with the broader movement to protect marine mammals which, in turn, was nested in the environmental movement and its many intersections with the Civil Rights movement, the Chicano Rights movement, the anti-war movement, and other calls for economic and political reform.

Sometimes it takes a tidal wave of political and economic pressure to initiate change, but in other cases, even a few people can make a difference, as when some Costco shoppers sued the wholesale giant demanding the right to know if the shrimp they were buying had been processed by forced labor. Costco eventually settled the suit, but this prompted a careful self-study of their supply chain and helped clean up the shrimp processing industry in Thailand. Of course, the Thai government has come under international and domestic pressure on many issues, so cracking down on forced labor in fisheries proved to be a win-win for them, much as the ban on shark fin soup was for the government of China.<sup>9</sup> In contrast, when Māori peoples sued their government to protect their legal and traditional rights to fish, they used the law to narrow the widening power disconnect in New Zealand fisheries, which are now known for being some of the best-managed in the world.<sup>10</sup>

If we really want to eliminate fisheries subsidies and the negative externalities that they amplify, then an international agreement is a step in the right direction, but it is only one step in a much longer process. It will take political and economic entrepreneurship, sustained public pressure, and politically savvy issue linkages to ensure that countries do what it takes to live up to their commitments. The same is true for the other agreements and initiatives described above; these well-intentioned efforts will be co-opted by vested interests or “bluewashed” by deceptive marketing if we fail to recognize the importance of politics and the precursors to governance. Furthermore, while tackling the fundamental causes of multiple environmental issues may seem impossible, public narratives that link issues could create the necessary political will by fostering connections among issue-specific interest groups and motivating latent interest groups to take action. Complexity and interconnectedness are not just challenges to be overcome; in times of turbulence they also provide opportunities for systemic change.<sup>11</sup>



## ABOUT THE AUTHOR

D.G. Webster is an associate professor in the Environmental Studies Department at Dartmouth College. Her research focuses on the precursors to governance, or the processes that social systems must go through to be ready to design and implement effective environmental policies. She is author of two books on global fisheries governance, *Beyond the Tragedy in Global Fisheries* and *Adaptive Governance: The Dynamics of Atlantic Fisheries Management*. She has authored multiple peer-reviewed articles and several successful interdisciplinary research proposals. She also serves as editor of *Global Environmental Politics* and contributes to her field through service to the Environmental Studies Section of the International Studies Association and the Ocean Taskforce of the Earth Systems Governance Project.

## ABOUT THE SERIES

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## NOTES

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