Economics in the Service of Fishery Policy and Practice

Susan Hanna
IIFET 2010
Montpellier, France
13-16 July 2010
IIFET Distinguished Service Award

Previous Recipients

- Sutinen 2008
- Anderson 2006
- Munro 2004
- Cunningham 2002
- Hannesson 2000
- Atkinson 1990
- Johnston 1992
- Yamamoto 1994
- Copes 1996
- Shriver 1998
Distinguished Service Award

DSA forms of service:
- exchange information, data, and perspectives
- service to profession
- application of economics to fisheries problems

Arenas: capture fisheries, aquaculture, markets, trade, development

My focus: education-outreach to fishery policy and practice: commissions, agencies, processes, stakeholders
Service

Service defined:
- work done for the benefit of another entity

Add self interest:
- work done for another entity that benefits ourselves

Education-outreach:
- engagement
- information provision
- research interpretation and application
- scientific advice
Fishery Policy and Practice

Policy
- International agreements
- National laws

Practice
- Government agencies
- Decision bodies
- Management plans
- Regulations
- Enforcement
Premise

Service in the form of education-outreach is a value proposition for strengthening the role of economics in fishery policy and practice.

It is underused by fishery economists as an avenue of influence.
Economics as a world view

The simple beauty of economics

*Oikos* - house

*Nomos* – principles

The principles governing the house

A powerful explanatory body of theory
Economics as a world view

The ocean: dynamism and complexity

The people: who work on it, live beside it and depend on it for livelihood and survival.

The danger: fishing is still the most dangerous occupation in the world.
We can see how many of the world’s fishery problems could be mitigated or resolved through a more intelligent application of economics.

- Overexploitation
- Rebuilding
- Management effectiveness
- Food security
- Protection of biodiversity
- Adaptation to climate change
A Different Reality

Economics is rather weak in its influence of fishery policy and practice.

Despite “fishery management is about managing people not fish.”

The contribution of the social sciences has lagged behind.

The use of economics in management is relatively circumscribed.
The Competition for Influence

The competition of ideas in fisheries: jockeying among world views.

- biology
- economics
- ecology
- social and culture

fishery policy and practice
The Competition for Influence

The marketplace of ideas

– We are not the dominant players.
– We are outnumbered and often out-竞争ed.
– We are not telling the best story.
The Value Chain of Fishery Economics

The Ideal

data → theory → analysis

action ↔ education/outreach ↔ publication
The Value Chain of Fishery Economics

The Actual

- data
- theory
- analysis
- action
- education / outreach
- publication
The Value Chain of Fishery Economics

What are the barriers?

- **Data**
  - inadequate investment

- **Theory**

- **Analysis**

- **Action**

- **Education**
  - outreach

- **Publication**
The Value Chain of Fishery Economics

What are the barriers?

Data → Theory → Analysis

- inadequate investment
- language
  - education / outreach

Action → Publication
The language barrier

What do we evoke?

Ecology

food web
keystone species
critters
critical function
sustainability
The language barrier

What do we evoke?

<table>
<thead>
<tr>
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The Value Chain of Fishery Economics

What are the barriers?

- Data
- Theory
- Analysis
- Publication
- Education/Outreach
- Action
- Exposure

Barriers:
- Inadequate investment
- Language
Costs of Value Chain Barriers

There are costs to not being more engaged in representing economics in terms people can embrace.

Issues aren’t framed in economic terms.

We don’t generate enough demand for our product to be as influential as we could be

- investment in data
- choice of approach
- design of options
Current Issues - Opportunities

Three Policy Areas

Rebuilding fisheries
Rationalizing fisheries
Sustaining fishing communities

How the issues are framed and where economics can contribute
Current Policy Issues and Opportunities

Rebuilding Fisheries

Policy framing: benefits of recovery

Policy issue: the path to recovery

Figure 81. Recent commercial, recreational and total harvest of the canary rockfish, with reference to the current optimum yield and allowable biological catch (NOAA Fisheries 2005a; NOAA Fisheries 2005b; PFMC 2005a).
Current Policy Issues and Opportunities

Rebuilding Path

What people want to know:
- potential for economic value
- tradeoffs of different time paths
- winners and losers
- assurance options
Current Policy Issues and Opportunities

Rationalizing Fisheries

Policy framing: fishery stabilization and sustainability

Policy issue: restructuring incentives for improved efficiency
Current Policy Issues and Opportunities

Rationalizing Fisheries

What people want to know:

– distribution of C&B
– property rights function
– rights markets
– concentration potential
– cost-effectiveness

M. Preusch The Oregonian
Current Policy Issues and Opportunities

Sustaining fishing communities

Policy framing: tradition; culture; food security

Policy issue: shore-side economic viability

The Oregonian

R.F. Bukaty  AP

P. Sakuma  AP
Current Policy Issues and Opportunities

Sustaining fishing communities

What people want to know

- shore-side economic impacts of regulations
- property rights options
- infrastructure investments
- management futures
- market access
Outreach Benefits

It’s in our self-interest to be more engaged in the translation and application of economics.

We will increase:

- economic literacy of managers and stakeholders
- demand for economic data and information
- application of economic analysis
- influence over types of fishery management actions
Outreach Benefits

Engagement can lengthen the value chain of economics.
Outreach Costs

Education-outreach has costs as well as benefits.

Opportunity cost of time
Biological path dependence of management
History of accepting stories as a proxy for social science
Optimism

For the profession the benefit-cost ratio of education and outreach will be positive.

The policy context is becoming more favorable for economics.

In strengthening the value chain, we have an opportunity to demonstrate that fishery management is about managing people not fish.