Policy plagues fleet
By B.G. Brown, Armando Estudant, Shannon Eldredge and Stephen Welch

As commercial fishermen, we have long been concerned that policies designed to consolidate our industry would lead to the type of corruption and collusion that we’re now seeing with the recent IRS indictment of New England’s largest fleet owner, Carlos Rafael. Charged with 27 criminal counts of fraud and misconduct, Rafael is accused of conspiring to mislabel fish as a scheme to game the newly implemented catch share quota system. But as the recent NF online editorial “Curse of the Codfather” points out, the symptoms of conspiracy and mislabeling are part of a much larger disease plaguing our industry.

Policy makers have claimed that fleet consolidation and programs like catch shares would lead to fewer, more easy-to-regulate fishing operations and therefore improve management efforts. We warned against this course of action and put forth alternatives only to be dismissed without due process here in New England. It’s no surprise to us that today fewer players now own and control more of the fishing industry, including permits, quotas and shore-side facilities.

According to NMFS, in 2014 just one entity controlled more than 25 percent of the entire New England groundfish revenue. In other catch share programs, such as the surf clam ocean quahog, the fleet is now controlled by four multinational corporations, including the largest seafood dealer in the world, Thailand based Thai Union Frozen. These policies resemble those that led to the consolidation of the “too big to fail” financial institutions, which resulted in taxpayer-funded bailouts, despite clear corruption and criminal activities. Yet somehow, fisheries decision makers think that what was bad for banks is good for the fish.

Leading up to 2010 the New England Fishery Management Council rushed to implement catch share policy despite strong pushback from fishing communities and warnings that catch shares would lead to excessive consolidation and erode conservation goals. To address consolidation issues, the New England council promised it would immediately establish safeguard protections in the following amendment.

Amendment 18 became the vehicle to create safeguards and a level playing field. We offered proposals for safeguards to ensure sustainability of marine ecosystems and our fishing communities, only to be shouted down, often by the council chairman who turned off our microphones and threw expletives at us publicly. It quickly became clear the council had no interest in changing course. While they shut us out, they gave the powerful few, such as Rafael, full access.

We knew safeguards could prove effective. In 1995 the North Pacific council implemented a catch share program for its halibut and sablefish fishery. The program included safeguards like owner-operator provisions, quota caps at 0.5 to phone that the weather was opening up, the dragger was taking on water and he
1 percent, vessel-size-specific quota, quota leasing provisions to ensure access and opportunity for all sizes of fishing businesses.

One wonders why the council and NMFS chose not to include safeguards in the New England plan when they are clearly and effectively implemented in other regions.

Instead, now six years later, the council and NMFS’ silver bullet solution is to cap quotas at 15.5 percent of the aggregate groundfish catch — largely based on Rafael’s holdings. Not only does this fail to restrict consolidation (essentially a handful of companies are now poised to control the entire fishery) but it locks in companies to continue business as usual.

These patterns of violating the public process aren’t new. In 2011, a third-party review concluded the council’s process discouraged participation, lacked collaboration or constructive dialogue, lacked any presence in the field or use of industry knowledge, required overly burdensome reporting and untimely feedback, lacked a vision or strategic plan to guide decision-making, and was vulnerable to some council members’ “filibustering” to make meetings run late into the night.

The review offered solutions, which the Amendment 18 process demonstrates have not been implemented. Instead of acting on behalf of the public’s interest, the council is advocating for privatizing, consolidating and corporatizing the public’s resources at the expense of the democratic process, fishing businesses, coastal communities and marine ecosystems.

It’s easy to make this out to be just a New England problem, but what we know about catch shares is that they are designed to consolidate power and access into the hands of a few, and they are being pushed as a panacea around the globe. The current political process is inadequate to protect the ocean — and us — against catch shares.

The path forward begins with an immediate implementation of low-quota ownership caps between 2 and 5 percent on a species by species basis. This is a short-term fix to stop the bleeding. In the long term we must have a commitment from NMFS and the council to alter course. For trust to be restored amongst fishermen and the public, the council and NMFS must publicly commit to address and follow through on these issues and restore a genuine participatory democracy for fisheries management. The current Magnuson reauthorization presents an opportunity to make all councils more transparent and accountable to the public to whom the ocean, fisheries and our source of seafood belong.

To stop the curse of the Godfather — in New England and beyond — we must take back control of our fisheries and the democratic process.

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