

Private Oceans

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The Enclosure and Marketisation
of the Seas

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Introduction: Neoliberalising the Environment – the Case of Fisheries Quota

The individual transferable quota (ITQ) system in fisheries is but one approach to managing marine environments, albeit an approach that is becoming increasingly hegemonic on a global scale. New Zealand in 1983 and Iceland in 1984 were the first countries to begin the transformation, followed by the Netherlands and Canada. The model has now been rolled out in at least 18 countries (Chu 2009) and there are approximately 150 ITQ programmes worldwide (Costello et al. 2010). It is an ever-expanding regime and is, for instance, the preferred management option currently advocated at the federal level in the United States and among the highest policy ranks in the European Union (EU). Member states in both places are at various stages of compliance, transition and, in some cases, resistance. That countries as spatially and culturally distinct as South Africa, Australia, Mexico and the Cook Islands have implemented ITQs and others such as Russia, Japan and Norway are moving in this direction indicates two main possibilities: ITQs successfully work to reverse the notorious sustainability crisis in the world's fisheries; and the economic thesis on which the system is based is everywhere applicable, being compatible with local biophysical and cultural contexts, existent economic forms and human values. Both suppositions can be challenged. I suggest, instead, that ITQs are rooted in fantastical imaginings about the superiority of private property rights in generating 'good' environmental governance and economic efficiency; and that a belief in the virtues of 'the market' as the optimal space through which to distribute fishing rights may be radically misplaced.

In fisheries economics and policy literature ITQs are proposed as a pragmatic response to over-exploitation as well as innate and universal human behaviour (see Arnason 2008). The narrative can be summarised as follows: it is the human condition to over-exploit common resources, to 'race for fish'; to rationally harvest as much as possible today in the knowledge that every other fisherman will behave similarly. Each fisherman, mindful of establishing a competitive advantage, will also

be incentivised to invest in more expensive gear, faster fishing vessels, and newer and more sophisticated technology in a continuous effort to capture a larger share of the total fish harvest. Instead of increasing a fisherman's share of the catch, however, such investments lead to a growing imbalance between harvesting costs and profit, that is the fishing enterprise will become overcapitalised, resulting in an economically inefficient operation. In most cases, neither state regulation of gear or vessel size nor the setting of a limit on the total amount of fish that can be harvested works to stymie the immanent logic of fishermen racing or overcapitalising. Rather the panacea lies in privatising fishing rights and allocating these rights through market mechanisms. Market-based approaches to marine environments, it is argued, have the advantage of optimising economic efficiency and are a means of securing conservation objectives. Such approaches reach their pinnacle in ITQ systems.

In ITQ fisheries fishing effort is limited by the establishment of a total allowable catch (TAC) which is set (ideally) yearly by central governments for each fish stock based (ideally) on the research, data collection and recommendation of fishery scientists. This TAC is then divided into quota shares which are distributed to various fishermen in the fishery based on criteria which change over time. When the system is first introduced, quota is typically freely gifted according to fishing history and/or the amount of capital invested in the industry. Subsequently, quota is distributed via 'the market', where it can be bought, sold and/or leased, often with the help of quota brokers and online trading systems. Owning quota guarantees a share of the TAC, and the more quota owned the larger the share. This assurance, it is anticipated, incentivises sustainable fishing practices, reduces the danger of overfishing and solves the problem of fishermen racing for fish. Quota owners have a direct interest, it is theorised, in the preservation and sustainability of the fisheries since their wealth increases in conjunction with the health of the fishery, and this is particularly the case when quota is constructed as a permanent, private, freely tradable, property right. The fishery becomes economically efficient as less efficient operators leave the fishery, selling their quota to their more efficient counterparts. Excess capacity is thus reduced. Further, there is an increase in economic rents from a previously underproductive common property fishery.

While my concern with the overall consequences of ITQ systems will be detailed throughout this book, it is pertinent at this point to provide a snapshot. The following list of impacts, with a proviso that not all

consequences appear in all cases, emerged from a global interdisciplinary working group¹ on ITQ fisheries, the first meeting of which was held in the Institute of Arctic Studies, Dartmouth College, USA, in September 2015.

Socio-cultural impacts:

- Alienation and loss of individual fate control
- Increased social stratification and class barriers
- Loss of lifetime investments in homes and other infrastructure
- Outmigration and gender imbalances
- Loss of community viability

Political-economic impacts:

- Lack of fair returns to owners/stewards of the resource
- Cartelisation of the fishing industry
- Barriers to new entrants in a neo-feudal setting
- Concentration of wealth and power
- Transformation of 'paper fish' into financial derivatives
- Institutional lock-in/irreversibility

Environmental-biophysical impacts:

- Incentives for high-grading
- No rewards for low-carbon environmentally sustainable fishing
- No focus on ecosystem-based management

In many ways what has happened, and is happening, in fisheries is a particular manifestation of the onshore destruction of industrial and manufacturing capacity in the name of economic progress, but with some new departures. These particularities can be best understood by situating ITQs within the broader neoliberal reorganisation of the political economy that occurred in the 1980s and, more specifically, through exploring the reconfiguration of human–environmental relationships that have transpired under market environmentalism. These two conceptual and policy frameworks provide a critical lens throughout this book. I argue that ITQ fisheries embody a quintessential neoliberal approach to human and natural worlds and while mindful that 'neoliberalism', like 'globalisation', and, as I suggest later, 'sustainability', has become a somewhat all-embracing concept, its use as a descriptor of ITQs has, I think, heuristic value. By honing in on a particular industry, that is fisheries, in very different ethnographic contexts (Iceland, New Zealand, Ireland and Hawaii), a calibrated analysis of the social complexities, contradictions

and consequences of neoliberalisation can be suggested. This is a task urgently required given the growing academic disquiet with the seemingly indiscriminate manner in which neoliberalism has been applied, the call to ethnographically ground the concept, and the need to specify both the linkages with and the disconnections from older systems of capital accumulation.

Situating neoliberalism

Anthropological engagements with neoliberalism as a descriptor of global restructuring over the last three decades have produced critical works on the materiality of everyday existence. Yet there is a growing disquiet that the term may have morphed into a catch-all descriptor of the current condition and thus lost much of its diagnostic power in accentuating the distinctive (Allison and Piot 2014). This unease is based around three main critiques: a perceived lack of accounting in published work for the differences and similarities with capitalism and/or late capitalism (Ganti 2014); a growing awareness of the variegations of neoliberalism, which may simply be too immense to be usefully captured by one analytical category; and theoretical divergences in approaches to neoliberalism such that there is no agreed upon definition of the concept, thereby making it a slippery subject of analysis (Goldstein 2012). Wacquant (2012) broadly compartmentalises these divergent approaches as economic ones and those to do with governmentality. Whereas the former is concerned with state withdrawal and the deregulation and privatisation of formerly state domains, the latter, underwritten by Foucauldian thought, speaks of neoliberalism as a 'flowing and flexible conglomeration of calculative notions, strategies and technologies aimed at fashioning populations and people' (2012: 69).

Nonetheless, few authors are ready to abandon the concept in its entirety and a number of journals have recently committed to developing a more robust anthropological account. *Cultural Anthropology*, for instance, announced in 2014 that it would devote one issue per year to what it calls the 'futures of neoliberalism' in an effort to thicken and nuance the term's meaning; the debate section of *Social Anthropology* published a stream of articles in 2012 dedicated to problematising Wacquant's 'actually existing neoliberalism'; and the 2014 *Annual Review of Anthropology* includes Ganti's article underscoring the epistemological value of the concept.

In light of this work, I outline below six basic tenets which guide my usage of neoliberalism:

Neoliberalism as hyper-capitalism

Neoliberalism is well captured by the descriptors ‘hyper-capitalism’, ‘capitalism with the gloves off’ or ‘naked capitalism’. It cannot be collapsed into ‘late capitalism’, which is a temporal and descriptive indicator, a term devised to describe transformations in the nature of capitalism (Ganti 2014). Neoliberalism is, as oft-declared, an ideological and philosophical movement, a ‘thought collective’ (Ganti 2014; Mirowski and Plehwe 2009). It is also much more insidious than this. It is decidedly concrete, having been written into policies, laws and resource management regulation, and the new wave of market-based instruments in environmental management.

In his analysis of neoliberalism, Neveling (2014) reminds us that it is but one of several possible manifestations of capitalism, past and present, and should be treated as such. Neoliberalism, he asserts, does not signify a radical social rupture (Neveling 2014: 7). Like earlier conceptions of globalisation or modernisation, neoliberalism is a phenomenon of lower analytical reach than capitalism, both diachronically and synchronically (Neveling 2014). Kalb (2012) contextualises the relationship as analogous to that between law and the broader political economy: that is, between neoliberalism as a formal framework of governance and capitalism as the relational field of forces that champions, enlivens and regulates it. While I concur that the theoretical subjugation of neoliberalism to capitalism is analytically valid, the practical consequences of neoliberalisation may, in fact, be utterly radical. The implementation of ITQs in many places has had rapid, and sometimes overnight, social repercussions. In this respect ITQ fisheries provide an ideal site where the specificities, and indeed extremities, of the relationship between capitalism and neoliberalism can be revealed. In other words, ITQ fisheries are epitomic to understanding neoliberalism in, for instance, New Zealand or Iceland, or more exactly, the workings of neoliberalism in capitalist New Zealand or capitalist Iceland.

The context in which neoliberalism became entrenched as a credible intellectual doctrine was contingent on problems within the capitalist mode of production. The 1970s were witness to an over-accumulation crisis, the re-emergence of international finance, increasing and

system-wide indebtedness, and escalating popular demands for redistribution (Kalb 2012). Neoliberalism was deployed to address stagflation (that is, a combination of high inflation and stagnant economic growth in a situation of growing unemployment), to impose debt repayment strategies on indebted sovereign states and to stifle a rising tide of collectivism. It provided an intellectual corpus that benefited the holders of capital. Ganti identifies four main referents of this corpus: (a) a set of economic reform policies concerned with the deregulation of the economy, the liberalisation of trade and industry, and the privatisation of state-owned enterprises; (b) a dogmatic development model that prescribes very different roles for capital, labour and the state in comparison to previous models, the consequences of which are political, economic and social; (c) the reification of market exchange and its extension to all social realms, displacing all other forms of exchange and ethics; and (d) a governance model rooted in a self-regulating free market, competition and self-interest (2014: 91).

There is a complex relationship between liberalism and neoliberalism. As a form of governance neoliberalism is distinct from liberal philosophy, although the 'neo' is suggestive of a relationship. Merlan, for instance, assumes a continuity between liberal democracy and neoliberalism and considers the latter, characterised by an extreme emphasis on market freedom to the exclusion of other values, to be simply a one-sided, 'evil twin'-like development of the former (2009: 314). Yet liberal democracy is itself critiqued by the left for its hypocrisy and ideological trickery, and for engendering an idea of inclusion that is never fully realised in practice (Brown 2003). Vázquez-Arroyo asserts that, over time, liberal democracy leads to depoliticisation, democracy in form rather than substance and that it stifles the democratic politics that once gave credence to it. More importantly for the present discussion, it opens the door to neoliberalism, and provides it with 'a cloak of legitimacy' (2008: 127). The discontinuities between liberalism and neoliberalism may, however, be more portentous than the continuities. Although it shares with classical liberalism a belief in markets as a more effective mechanism for dispatching information about supply, demand and prices than the state, its visualisation of the state is not one that seeks its elimination. Rather, neoliberalism works to redefine the nature and function of the state. It is rooted in the conviction that its perception of a good society cannot occur naturally and can only be achieved through concerted political effort and organisation (Ganti 2014).

While the global fiscal crisis in 2007 evoked euphoric declarations predicting the end of neoliberalism, it is now evident that the crisis is actually strengthening it. This is because the crisis was a crisis of capitalism, not of neoliberalism. It is also, significantly, a result of the cementing of neoliberal ideology into law and policies, a process which has facilitated its enduring stickiness. It is, for instance, extremely difficult to reverse privatisations, particularly when these are bound up with international financialised capital and debt. In the post-crisis collapse of Iceland, this intractability confronted the left-leaning Green Party when it attempted to change fisheries governance in line with election promises, popular demand and a United Nations Human Rights Committee ruling.

Neoliberalism and neoliberalisms

Neoliberalism is not only spatially variegated but also temporally, having entrenched itself in different locales and biophysical environments in different ways, it also re-entrenched itself anew after the global fiscal crisis. This chameleon-like configuration is reflected in the view of neoliberalism as ‘messy’, a thesis advanced by scholars who approach neoliberalism within a governmentality framework. Thus, it is purported, there is no single package of policies or guiding principles, rather neoliberalisation ‘displays a lurching dynamic’ characterised by opportunism, improvisation and ‘on-the-hoof recalibrations’ (Peck and Theodore 2012), it is consequently decidedly messy both in terms of theory and practice (Kalb 2012). Similarly, McCarthy and Prudham note the difficulty in defining neoliberalism as any one thing since the term stands for ‘a complex assemblage of ideological commitments, discursive representations, and institutional practices, all propagated by highly specific class alliances and organized at multiple geographical scales’ (2004: 276). There is no one primeval neoliberal doctrine against which its implementations can be tested.

This understanding of neoliberalism as somewhat chaotic and hyper-variegated is reflected, on the one hand, in the distinctive contours of neoliberalism in resource management and in market environmentalism, and, on the other hand, in the heterogeneity of these processes. Gómez-Baggethun and Muradian (2015) point to the different technologies, markets and property ideas informing market-based instruments in environmental management; Bakker (2010) highlights the existence of a diversity of neoliberalisations in nature, a consequence,

she suggests, of different ‘socio-natures’, a term used to capture differing biophysical characteristics, behaviours and the co-constitution of these with labour and consumption practices. In the marine environment, Mansfield (2004: 314) notes that neoliberalism has a particular dynamic centred specifically on the linkage of property rights, market behaviour and the perceived proper use of ocean resources. The analysis of neoliberalism as messy also denotes a flexibility – that neoliberalism(s) is prone to mutate and able to adjust and readjust itself to capitalism’s crises – a conceptualisation that can usefully account for the evolution of ITQ regimes, their changing dynamics over time including that in the current phase of financialisation. It is also suggestive of singular localisations, of qualitatively different varieties of practices on the ground.

While I am convinced of the importance of challenging a view of neoliberalism as monolithic, as immutable over space and time, it is equally the case that there are constant features. These broadly include the near idolisation of a self-regulating market as the governing mechanism for allocating all goods and services (McCarthy and Prudham 2004); an intensification of programmes of privatisation and commodification; an accelerated extension of economic rationality to formerly non-economic domains and the individual subject; and the subjugation of social institutions and social action to the demands of market values. Albeit neoliberalism has undergone many theoretical modifications since its first deployment, it is still heavily rooted in the fiction of the spontaneous order of the market (Hilgers 2012). And while ITQs have been implemented at various points over the past three decades in a multiplicity of spaces and have been confronted by culturally distinctive actors, there is a definite coherence to these configurations and a commensurability of social consequences. This is not to deny that there is also diversity.

Hilgers’ (2012) consideration of neoliberalism as a coherent political ‘utopia’ that turns into a plurality of neoliberalisms as it hits the ground running, foregrounds this spatio-temporal dimension and neoliberalism’s global propagation as a political project. This understanding enables a coherent account of theoretical neoliberalism at the same time as the recognition of practical localisations (see also Ferguson 2010; Harrison 2010; Harvey 2007). Hilgers (2012: 89) argues that the historicity of any particular state redeployed under the constraint of neoliberalism seriously affects the way in which these redeployments are carried out. The resistances and struggles, the multiplicity of double movements, that

confront structural adjustments and neoliberal experiments are another important set of factors that may help explain neoliberal diversities.

Neoliberalism and the opening of spaces

A singularly striking feature of neoliberalism is that it cannot be identified with a particular political ideology as both social democratic and conservative parties embrace it when in power. In New Zealand, for instance, it was the fourth Labour government which enthusiastically adopted neoliberalism in the 1980s and began a rigorous restructuring of the state sector. Labour's implementation of deregulation, privatisation, competitive tendering and contracting for public services left only the task of breaking the (already) attenuated power of the union movement, through reform of the labour market, to its conservative successor. This job was rapidly implemented in the 1990s when the National Party government consolidated the emergent understandings of the state and the economy. Since the 1980s, New Zealand, while fully committed to neoliberalism, has oscillated between a New Labour and a neoconservative version, with the latter currently holding sway. There is in fact little that is inevitable about neoliberalism. It articulates with, for instance, indigeneity in highly creative, often surprising and spatially uneven ways. As an alternative political cultural formation, indigeneity may be just as likely to appropriate neoliberalism for its own ends as the other way round (Kingfisher and Maskovsky 2008: 115).

This 'opening of spaces' for historically marginalised groups, although seemingly contrary to the central tenets of the free market and individualism, is nevertheless consistent with neoliberal practice. Hale (2005: 12) argues that an emphasis on the development of civil society and social capital, and the granting of cultural rights is what 'give[s] the "neo" its real meaning'. This recognition of rights, however, may strengthen the capacity of the state 'to shape and neutralize opposition' (Hale 2005: 10). I argue in chapter 1, for example, that the resolution of Māori indigenous claims to the seascape in New Zealand was accomplished by the attempted realignment of Māori ways of owning with individual property rights; a type of privatisation built on creating new forms of property and one that enabled the fulfilment of conflicting goals simultaneously. It is, however, the transferability aspect of ITQs, described in chapter 3, that has the added propensity to create new forms of dispossession.

Neoliberalism and lived realities

My concern with neoliberalism is foregrounded by a concern with lived realities.

Over three decades of socialisation into neoliberal policies, their entrenchment and re-entrenchment, has had its effects. Alongside massive social disruptions, this process includes a forced realignment of the individual as an 'enterprising self', able to adapt to a market ordered by competition. This restructuring of personhood implies that neoliberalism is involved in the quotidian. It is implicated in the concrete structure of everyday life, in human bodies and experiences, in kinship structures and in our most fundamental social relationships, and it plays a real part in the ways in which people think about and problematise their lives. For, as acknowledged by Margaret Thatcher, the British neoliberal pioneer, the objective is to change the heart and the soul.

Neoliberalism as critique

I use neoliberalism as a form of critique, as an oppositional badge (Castree 2010b). Although the term 'neoliberalism' was initially coined to signify an ideological separation from classical liberalism, economists and other proponents had discarded the latter usage by the late 1950s. In contemporary commentaries neoliberalism is most commonly associated with an oppositional stance, with 'ideologically and theoretically charged' scholarship (Ganti 2014: 93). This book, then, is a rebuttal to proponents of market environmentalism or 'green neoliberalism'. Neoliberalism is popularly contested, increasingly so. The current guise of global capitalism in its neoliberal manifestation is universally more socially polarising, less democratic, less accountable and less controllable, let alone civilisable, than the majority of humankind finds acceptable (Kalb 2012: 328).

I am writing days after an unprecedented public protest in New Zealand's capital Auckland to the signing of an international trade agreement, the TPPA, that is the Trans Pacific Partnership Agreement, or in the protesters' acronymic inversion, Taking Peoples' Power Away. This agreement, in terms of fisheries, is likely to further offshore processing. The protest was unprecedented both in terms of numbers (estimates range from 10,000 to 43,000) and organisational stealth. Teams of young people scaled hastily erected bamboo tripod structures at key traffic intersections, causing major traffic jams and diverting cars from the central business district. Such opposition was echoed in the 12 signatory Pacific-rim countries.