

# Where There Is A Will

The Norwegian model of fisheries governance, via the Norwegian Raw Fish Act and fish sales organizations, is worth examining

Small-scale fisheries and their well-being are an important part of the political and institutional history of Norway. This is, first and foremost, due to the significant social and economic role that the fishing industry has played—and still plays—for the country as a whole. But before I give an overview of this history and the crucial formative role of fishers' organizations, let me briefly explain why the organization of small-scale fishers is such a pertinent issue, also in connection with the Voluntary Guidelines for Securing Sustainable Small-scale Fisheries in the Context of Food Security and Poverty Eradication

Then there is the issue of bargaining power. Individually, small-scale fishers are easily exploited. They can be played against each other. They, therefore, lose out in transactions with middle-men or with governments. Together, if organized, they would be able to negotiate with more strength, and perhaps even impose their own terms.

Thirdly, there is the problem of collective action. Without organization, small-scale fishers easily fall into the trap of the 'tragedy of the commons' and the poverty that it often leads to. Organized, fishers could establish their own rules and exercise self-management or co-management. Organization would not only make small-scale fishers people more powerful, it would also set them free.

All three points mentioned above are basically about the empowerment of small-scale fisheries and their people, which is also what the SSF Guidelines aim at. This is undoubtedly important. How you actually accomplish that is another equally important question. The SSF Guidelines provide many important suggestions to this effect, including about developing organizational designs that people would support.

## Governability

But there is a fourth argument for organizing small-scale fishing people, which is not explicitly mentioned in the SSF Guidelines, which is what I would like to elaborate on. This is about the 'governability' of the whole fisheries sector—governability defined here as the capacity for, and quality of, governance. A disorganized, fragmented and chaotic small-

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(hereafter SSF Guidelines), recently adopted by the Food and Agriculture Organization of the United Nations (FAO).

The impetus behind the SSF Guidelines is, as its full title alludes to, the observation that small-scale fishers are so often poor and marginalized. They do not have a voice in the political process as one would have expected, given their large numbers and contribution to society. This sad fact may largely be explained by the lack of organization. If small-scale fisheries people were better organized, they would not only be able to talk to one another but also speak with one voice. If they cannot do that, others are less likely to listen. No one has patience for cacophonies.

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scale fisheries sector is obviously more difficult to govern, be it from the inside (self-governance) or the outside (government). Who should the government talk to if they want to communicate with the industry? And who in the industry is entitled to talk on behalf of whom? These are also important questions as far as the implementation of the SSF Guidelines are concerned.

Given this governability challenge, organization is not only in the small-scale fishers' interest, it is also in the government's interest—or in the interest of anyone whose agenda is to improve the lot of small-scale fishers, such as the FAO and non-governmental organizations (NGOs). Without such organization, government would not be able to govern effectively, democratically and legitimately, and the implementation of the SSF Guidelines would be more cumbersome.

Indeed, if small-scale fishers were well organized, they would even be able to govern themselves, without government constantly on their back. They would also be able to play a more proactive role in the SSF Guidelines implementation process. The government would be released from micro-management and could instead direct attention towards facilitation and support, rather than focusing on control and surveillance only. The implementation process would, in many instances, have to start with organizing small-scale fishers, and not just at the level of the local community but perhaps also countrywide. Small-scale fishers would also benefit from large-scale organization, as illustrated below.

Organization as a governability-enhancement device is something that the Norwegian government understood early on. It realized that organizing fishers would not only help small-scale fisheries as a sector but also be in the national interest. The government was, therefore, instrumental in the formation of the nationwide Norwegian Fishers' Association in 1926, and, later, with the establishment of the co-operative sales organizations from 1938

onwards. These measures not only turned the table for small-scale fishers in Norway but it also fundamentally changed the power relations in the industry in a way that has lasted until this day.

The lesson here is that the facilitating role of the State should not be underestimated. Organization of small-scale fishing people does not happen spontaneously and not always from the inside. A push from the outside is often needed, like from government or NGOs. This is because organizations are collective goods, and thus subject to a similar problem as with the tragedy of the fisheries resource commons: It is in the individual interest of potential members to remain passive and wait for others to take the initiative, as they can enjoy the benefits once the organization is up and going. Who would freely want to carry the burden and costs of organizing others? It is better to wait for others to make the move. (Poor people would not be able to afford it anyway). But if everyone thinks like this, no one will. This tendency, which increases with the size of the group, is sometimes referred to as the 'second-order' collective action problem—which should perhaps instead be called the 'first-order' problem, as it has to be solved before one can effectively address the substantive problems in

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An old couple from Varanger fjord, close to Norway's border with Russia. The government helped form the Norwegian Fishers' Association in 1926

small-scale fisheries as they are described in the SSF Guidelines, like those related to empowerment, community development and poverty eradication.

Once established, the government and the Norwegian Fishers' Association could engage in a constructive partnership, which has characterized the relationship between the government and the industry. The government has been willing to exchange the loss of sovereign control with the legitimacy they have obtained from the industry. One may argue that the Norwegian Fishers' Association, if not being part of government, has certainly been part of governance. This has obviously made the Norwegian fishing industry more governable than it would otherwise have been, if the relationship was antagonistic rather than co-operative.

However, it is the Fishers' Sales Organizations and the 1938 Raw Fish Act (popularly called 'The Fishers' Constitution') that instituted them, and that really makes Norway different institutionally from most other fisheries nations. There are now six such organizations, together covering the whole country, with the Norwegian Raw Fish Association being the biggest one.

**By the turn of the 19th century, Norway was among the poorest of European nations, and small-scale fishers were at the lower end of the national income scale.**

The sales organizations are owned by the fishers and are, as with any other co-operative producer organization, organized according to the classic Rochdale co-operative principles. Importantly, the law grants the sales organization the monopoly right of firsthand sales within its geographical district. It also gives the organizations the right to determine the minimum price, which the buyer must accept.

There are always collective negotiations between the two parties, but if they cannot agree, the sales

organization can dictate the price. This does not eliminate the market completely, as buyers can always make a higher bid (which they often do when there is competition for the fish), but the law surely regulates the transaction in favour of the fishers.

This is what the 1938 Raw Fish Act says about the organizations: The King may decide that the processing, sale or export of raw fish ... or products thereof shall be prohibited regardless of where the fish is caught if first sale of the raw fish has not taken place through or with the approval of a fishermen's sales organization whose statutes have been approved by the Ministry concerned. Sale by an approved sales organization is regarded as first sale. Purchase of, and settlement for, raw fish fished on a share or percentage basis by owners of vessels, owners of gear or other co-partners is also regarded as first sale.

Imagine what difference this made in empowering the fishers. Not only did it guarantee fishers a decent price for their catch, with the Raw Fish Act, Norwegian fish merchants and exporters could no longer thrive on the back of the small-scale fishers. Instead, they had no other option but to do a better job in the export market. This would, of course, be good not only for the fishing industry but for the country as a whole, given that fish was at that time the most important export product. It should be noted that the Raw Fish Act was introduced at a time when fishers were much more numerous and small-scale than they are today. Norway was economically in a very different situation than it is now. By the turn of the 19th century, Norway was among the poorest of European nations, and small-scale fishers were at the lower end of the national income scale.

### **Merchant class**

Although popular among the fishers, the Raw Fish Act and the sales organizations were, as one would expect, never popular with

the merchant class. This is still the situation, and the current conservative government would probably have liked to see the act gone.

There is also now in Norway a neoliberal wind blowing, which regards intervention in the market as not a good thing. But these organizations and the law authorizing them are not easily toppled. One does not mess with a law that fishers regard as their constitution—not without heavy political costs anyway.

Norwegian fishers have long learned to take this 'constitution' for granted, and they would have been hard put to imagine how the Norwegian fishing industry would be without it. Even those who want to scrap it would tend to agree. An old professor of mine, Ottar Brox, used to say that he never realized the significance of the Raw Fish Act until he came to Canada in the late 1960s. This was not because Canada had a similar legislation, but because it did not. He was struck by the organizational powerlessness of Canadian small-scale fishers relative to their Norwegian counterparts. The book he wrote about the fishing industry of Newfoundland helped to inspire the formation of the Fish, Food and Allied Workers Union there. Personally, I had never seen fishers in a picket line until I came to Canada in the mid-1980s. Norwegian fishers would, of course, not strike against their own organization when they have the power to set prices.

The sales organizations are as strong as ever. The Raw Fish Act still remains; even if a law reform in January 2014 changed its formal name to the Fish-sales Organization Act and new paragraphs were added.

What lessons can be learned from the Norwegian case? Can one export institutions as easily as one exports fish? Can the Norwegian Raw Fish Act and the fishers' sales organization system be copied by others?

First of all, the system was introduced in a particular historical context. It is less than likely that it would have seen the light of day in the current context. The industry looks very different today. Norway is a



The crowded Lofoten winter cod fishery in the 1950s. The Raw Fish Act was introduced at a time when fishers were more numerous and small-scale than they are today

different place, political ideologies have changed, and power relations are not what they used to be. The fishing populations do not carry the same weight that they used to do. Their numbers are down ten per cent compared to when the Raw Fish Act was introduced.

Still, as a governance model, the Norwegian Raw Fish Act and the sales organizations that the law facilitated, are not outdated. They address problems that small-scale fisheries are facing everywhere: poverty, vulnerability and marginalization, which have motivated the SSF Guidelines. And who can say that if the Raw Fish Act and the sales organizations were dismantled in Norway, the problems that originally triggered these institutions would not resurface again?

It is not for me to say how relevant the Norwegian model is for other countries. Those who would say no must also explain why not. What the Norwegian example does suggest, however, is that if there is will to foster organization that makes a difference to small-scale fishers, to the industry, and to the entire fisheries governance system, there is a way. 3

#### For more



[www.seafoodfromnorway.co.uk/](http://www.seafoodfromnorway.co.uk/)

**Article on Norwegian Raw Fish Act**

[www.regjeringen.no/nb.html?id=4](http://www.regjeringen.no/nb.html?id=4)

**Department of Fisheries, Norway**