

# Wellbeing Aspirations

**Fisheries co-operatives in Sri Lanka need to be restructured into true co-management platforms to ensure the sustainable use of coastal zone resources**

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It is now recognized that fishing is not simply catching fish and earning an income, but a way of life which is especially true with small-scale fisheries, which comprise nearly 90 per cent of all fisheries in developing countries. All activities in fishing are firmly embedded in culture, values, customs and traditions of fishing communities, and thus the decisions concerning fishing are generally sociocultural constructs rather than those based on profit-maximizing rational choices. For natural scientists, fishing is an issue of ecosystem health; for social scientists it is a case of social welfare and wellbeing, while for governors and managers, it is policies, laws and management mechanisms for sustainable resource use. However, for fishers it is a particular way or life which

have won the faith of the fishers, and their membership has grown to include even the majority of the women fisherfolk. However, one of the serious weaknesses of the co-operatives has been their failure to play any significant role in resource management, especially in controlling entry into fisheries. On another front, it is to be noted that fishers form only one type of stakeholders using resources in the coastal zone. The others are farmers, industries, tourism stakeholders, etc., whose decisions concerning resource use are often in conflict, requiring cross-sectoral collaboration. Given the dominant position enjoyed by fisheries co-operatives in the coastal zone, restructuring of fisheries co-operatives in Sri Lanka is needed to organize them into true co-management platforms towards attaining the goal of sustainable use of coastal zone resources.

**Co-operatives have won the faith of the fishers, and their membership has grown to include even the majority of the women fisherfolk.**

Fisheries co-operatives in Sri Lanka have a post-independence origin. They have been initiated by the government and are organized with the intervention of two government departments, the Department of Co-operative Development and the Department of Fisheries and Aquatic Resources, which make them a particular type of 'formal organizations'. This is often perceived as a crucial weakness, and even contrary to the essence of the co-operative movement. The Overseas Co-operative Development Council thus concludes flatly that: "government-controlled parastatals are not true co-operatives". Yet, these 'formal' types of organizations performed a number of functions during the Blue Revolution era (1950-1970), when the new fishing technology was channelled to the asset-poor fishers through the fisheries co-operatives

meets their wellbeing aspirations – a much broader composite goal. The oft-noted complaint of fishers is that their diverse wellbeing aspirations are not properly understood by the state actors, who often manage fisheries from the top, with little contact with those at the bottom.

In such a context, the fisheries co-operatives in Sri Lanka can be considered as true community institutions, catering to the varying needs of the fishers – from the provision of technical and financial services to meeting their diverse wellbeing aspirations. Co-operatives

*This article is by **Oscar Amarasinghe** (oamarasinghe@yahoo.com), President of the Sri Lanka Forum for Small-Scale Fisheries (SLFSSF), Sri Lanka*

with financial assistance in the form of subsidies including subsidized credit. What is important to note is the fact that membership in co-operatives is, in principle, voluntary, and that individual co-operatives enjoy great freedom in planning, organizing and implementing activities aimed at meeting the diverse needs of the community. As it will be shown in this article, Sri Lanka's fisheries co-operatives have a history of being true community organizations, performing an array of functions towards meeting the wellbeing aspirations of their membership: the fishers and their families.

Fisheries co-operatives in Sri Lanka can be traced to 1912, when the Rural Credit Societies were established. Then the Department of Co-operatives, which was established in 1930, took a new interest in the development of credit societies into co-operatives. The first fisheries co-operative was established in 1942, with the objective of providing credit facilities to fishers to acquire craft and gear, and to facilitate fish marketing. From 30 registered societies in 1945, the number grew to 292 by 1972. A complete re-organization of co-operatives was done in that year, when village-level co-operatives were amalgamated to form primary co-operative societies serving a larger area.

The activities of these co-operatives are guided by the Co-operative Societies Act No. 5 of 1972, and the Fisheries Co-operative Constitution. From 45 of such primary societies in 1973, they increased to 845 by the year 2016, with a membership of 95,891. However, only 596 co-operatives remained active, with around 70 per cent of them being concentrated in the north and the east of the country, which were heavily affected by the civil war during the 1983-2009 period. Many of the fisheries co-operatives in Sri Lanka can be characterized as multi-purpose, combining functions such as the provision of credit, technology and insurance; and occasionally, the organization of marketing. Their importance was strongly felt in early 1960s when the government introduced the new capital-intensive Blue Revolution technology: mechanized boats, nylon nets and outboard motors.

These were channelled to asset-poor fishers through fisheries co-operatives with subsidies, including subsidized credit. Group guarantees by fellow members resolved the collateral problems and formation of crew groups under a caretaker owner who provided access to large mechanized craft with easy repayment schemes.

By investing in bridging and linking social capital, co-operatives have formed strong social networks horizontally and vertically, to do favours for their membership: training, capacity building, procuring funds for infrastructural development, community welfare, etc. Many a co-operative in Sri Lanka organizes all village cultural and religious events, provide tents, chairs and buffet sets for weddings and for funerals, operate pre-schools and children's parks, organize private tuition classes for school children, etc., thus facilitating the achievement of diverse wellbeing aspirations of their membership.

However, fisheries co-operation also had its drawbacks. From his studies in southern Sri Lanka, the author has shown that co-operatives were used in early days (1960s and 1970s) by politicians to provide favours to their political clientele by fraudulently channeling public goods. When governments changed, new office bearers having political links to the

OSCAR AMARASINGHE



Women from a fisheries co-operative cleaning the garden around the fisheries office near Kalametiya Landing Site, Hambantota, Sri Lanka. The co-operatives' membership has grown to include even the women fisherfolk

party in power were elected, who had easy access to public goods through the political clientele system of the ministers and their aides-de-camp. Thus there have been incidences of collapse of certain co-operatives, due to such political interference and corruption.

The fisheries co-operatives in Sri Lanka were subject to several threats in the past. The first threat was the withdrawal of state assistance and patronage to fisheries co-operatives in 1994 because of the prioritization of defence expenditure over others, which was huge during the 30 years of civil war in the country. This move made some co-operatives defunct or dormant. The second type of threat emanated when the Ministry of Fisheries and Aquatic Resources Development (MFARD) introduced a new type of community organization called the 'Landing Site Management Committees' (LSMCs) in 2004, with the aim of bringing in management functions into community-based organizations at the landing site level.

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About 1,000 such committees were established in the country, and some of the co-operatives were disassembled to join these LSMCs, which were pledged with an initial capital of LKR 1 mn (USD 6214). The LSMCs never functioned and no funds were allocated to them. The third threat came in 2010, when the Ministry of Fisheries established a multi-layered system of Rural Fisheries Organizations (RFOs), and announced that state assistance to small-scale fishers would only be channelled through RFOs. The RFOs functioned only under the MFARD, without any involvement by the Department of Co-operative Development. The MFARD thought that such a format would make things easier in channelling public goods to the 'needy' fishers, and also as a means of controlling community organizations to meet the short-term goals of the political party in power.

By 2017, there were 1,127 such RFOs (both marine and inland) with a membership of 98,748. Although, it has now taken almost eight years since their establishment, the RFOs still remain quite dormant, with no apparent role to perform. They have no clear vision and mission and, so far, have not performed a single function that fisheries co-operatives used to perform. Yet, they are the agents of the state, who grant approval for various requests made by the membership and recipients of any public goods channelled to fisheries. In fact, what has happened in many parts of the country was that, the existing co-operatives have assumed the name RFO, with the same membership and same office bearers. Thus, while co-operatives and RFOs are different by name, the membership remains the same in most areas.

Nevertheless, in the minds of many fishers, fisheries co-operatives still remain the most dominant type of community organization in coastal areas. Many continue to function in an environment of zero state assistance, but as strong social networks based on trust and reciprocity among people. Quite interestingly, the co-operatives, as against RFOs, have a strong involvement of women. Some of the co-operatives in the south are completely run by women, leaving the men to concentrate on fishing. By providing group guarantees, they have invested in plant nurseries, boutiques, organic farming, etc., earning supplementary incomes. In short, fisheries co-operatives still function as the only form of fisheries community organization that represent the interests of fishers and their families and work towards meeting their wellbeing aspirations.

While fisheries co-operatives have performed fairly well in meeting an array of wellbeing aspirations of the fisherfolk, they have failed tremendously in managing the fisheries resources, especially in controlling entry.

Bioeconomic modelling studies in the southern marine fisheries of Sri Lanka have shown that high rates of resource exploitation (higher levels of effort) occurred in fishing villages which had well-functioning co-operatives (Bata Atha South Fisheries Co-operative in the Hambantota District

is an example). In fact, in these villages, fishers have entered the fishery quite freely and have exploited the resources heavily. Co-operatives have contributed to this situation by providing fishers with the means to access natural resources and the required livelihood capitals to facilitate this access. This has to be related to the origins of the fisheries co-operative movement in the early 1940s, when co-operatives were expected to provide the membership with credit facilities to purchase craft and gear, which is a function tantamount to 'facilitating entry'. Thus, fisheries co-operatives became lending institutions with a diversity of credit schemes, lending money not only to acquire fishing equipment, but also to meet consumption needs and insurance needs (through instant loan schemes). The well-functioning co-operatives, in this respect, were even elevated to the status of Fisheries Banks ('Idiwara Banks').

The restructured primary fisheries co-operatives that were born in 1972 had assumed a large array of functions to improve welfare facilities for the fishing populations. They were totally welfare-centric, with hardly any concern for resource management. Note should also be made of two important principles of the peasants in rural Sri Lanka – the principle of equality and the right to subsistence. All who are born in the village have a right to live and, should enjoy equal rights of access to resources. The fisheries co-operatives, as true community organizations, are expected to abide by these principles of the peasantry. Thus, even when the current fishing pressure is high, they are forced to assist whoever wants to fish. Although this weakness is understood by co-operatives, they are not in a position to introduce entry controls, which will challenge the very basis of the establishment of fisheries co-operatives.

Given that fisheries co-operatives command a high degree of confidence and faith among the membership as their true representatives, the fisheries co-operative format could be made use of in introducing measures that will also ensure a healthy ecosystem, with appropriate restructuring to achieve these ends. But fisheries form

only one component of the coastal ecosystem, and fishers are only one stakeholder group in the coastal zone, with farmers, tourism stakeholders, industries and others forming a group of multi-stakeholders exploiting the same bundle of coastal resources. Therefore, decisions regarding coastal zone management need cross-sectoral collaboration to avoid conflicts among stakeholders having different interests and different legal orders. Although they remain latent, conflicts among diverse stakeholders in the coastal zone exist. Yet, attempts at resolving conflicts through cross-sectoral collaboration, with the participation of all relevant stakeholders, are hard to find.

The recently developed Voluntary Guidelines for Securing Small-scale Fisheries in the Context of Food Security and Poverty Eradication (SSF Guidelines) provide a good starting point, with their emphasis on holistic, inclusive, participatory and integrated approaches to fisheries management.

### Recent studies in south Sri Lanka provide evidence of the very strong position enjoyed by the fisheries cooperatives...

Recent studies in south Sri Lanka provide evidence of the very strong position enjoyed by the fisheries co-operatives in comparison to other community organizations in the coastal zone, with respect to the provision of livelihood capitals, transparency and accountability of operations, and willingness and capacity to adopt some of the key SSF Guidelines.

#### Leadership role

It is also interesting to note that all non-fisheries stakeholders in the coastal zone believe that fisheries co-operatives could take the leadership in making decisions concerning the management of resources in the coastal zone. Evidently, due to the diverse tasks and uncertainties inherent in fishing – seasonality, high incidence of damage to, and loss of, craft and gear and fishing days, need for supplementary income, etc. – fisheries co-operatives have risen

up to provide a host of services to the membership, including the provision of livelihood capital, which is not the case with other community institutions like the agricultural co-operatives or rural development societies.

Moreover, through the experience they have gained in managing fisheries co-operatives to provide the above services to the membership, the co-operative leaders have become very strong and powerful individuals in making decisions concerning coastal resource use. Yet, the latter necessitates that fisheries co-operatives function as true interactive management platforms, with the participation of all relevant stakeholders. Such a change requires the incorporation of concerns of resource management into the constitution of fisheries co-operatives, assuming the role of a cross-sectoral collaborative body to perform the required management functions.

Entry into coastal fisheries is now made fairly difficult by the recent state

participation of all stakeholders in designated fisheries management areas in a number of districts. The process has been facilitated by funds provided by international donors. But these committees became defunct after some time for a number of reasons: withdrawal of foreign assistance; absence of a leader organization to work towards achieving the goals of co-management; and the apathy of the state authorities to continue with the process. In this whole process, the fisheries co-operatives have been relegated to the background because of the government's lack of interest in empowering them. On the other hand, the RFOs remained outside the mainstream of activities because they commanded no faith or trust among people, and did not enjoy a dominant status among diverse stakeholders in the coastal zone.

The focus group discussions held recently revealed that the whole process of integrated coastal zone management (ICZM) could be organized under the leadership of the fisheries co-operatives, which could function as co-management platforms with the participation of all coastal resource users, state actors, civil society organizations (CSOs) and other parties, including women and marginalized groups. The mere formation of such platforms itself will not resolve management issues, unless the management process is made integrated, inclusive, participatory and holistic. This requires, among other things, the government's will to recognize the important role played by fisheries co-operatives as a dominant actor in the coastal zone, the will to empower them and abolish the dormant RFOs. A change of this nature will not only put under way a strong process of ICZM, but also introduce a mechanism to resolve conflicts among coastal resource users. 3

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regulations banning the construction of small fibreglass boats, which are the mainstay of coastal fishing in Sri Lanka. Following this ban, some co-operatives, like the Godawaya Fisheries Co-operative in Hambantota district, have already taken steps to set limits on all types of coastal craft operating in its landing site. The co-operative is also controlling the entry of tourists into the Godawaya beach, fearing that tourism would have adverse influences on the youth, culture and traditions of the village.

On the one hand, the Fisheries and Aquatic Resources Act of 1996, provides for the establishment of Fisheries Management Areas and Fisheries Committees within such areas, which are entrusted with management decisionmaking. In fact, the MFARD has started establishing co-management platforms for export-oriented fisheries, with the

#### For more

[http://www.coop.gov.lk/web/images/acts/1972-5/1972\\_05\\_E.pdf](http://www.coop.gov.lk/web/images/acts/1972-5/1972_05_E.pdf)

**Co-operative Societies Law No. 5 of 1972**