Overfishing Negotiations at the WTO:

Undermining Fishworker Livelihoods

The Research Collective

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The Ministry of Commerce and Industry convened an informal international multi-ministerial meeting on the 19th and 20th of March, 2018 in New Delhi, India. This is a follow up to the December 2017 WTO meeting where negotiations stalled on the fisheries subsidies agenda. The stalemate was a result of India's priority to guarantee food and livelihood security, prompting much criticism from state and non-state actors.Unfortunately, what remained unheard were the voices of the lakhs of Indian fishworkers and their perspective on the impacts of the free-market led development trajectory of Indian fisheries.

As a response, The Research Collective compiled this position paper with the main aim to build context and a historical narration of fishworker struggles in India, with the hope to inform national and international debates on the subject of fisheries subsidies.

The National Fishworkers' Forum (NFF)

The National Fishworkers' Forum, registered under the Trade Union Act of India, is the only national federation of state level small and traditional fish workers' unions of India. NFF has affiliated organizations in all the coastal states and union territories of the Indian mainland.NFF fights to protect the life and livelihood of the fishing communities and its basic source – fisheries resources, biodiversity and natural environment.

The Research Collective (TRC)

The research unit of the Programme for Social Action (PSA), facilitates research around the theoretical framework and practical aspects of development, industry, sustainable alternatives, equitable growth, natural resources, community and people's rights. Cutting across subjects of economics, law, politics, environment and social sciences, the work bases itself on people's experiences and community perspectives. Our work aims to reflect ground realities, challenge detrimental growth paradigms and generate informed discussions on social, economic, political, environmental and cultural problems.

Abbreviations

FAO - Food and Agricultural Organisation

GATT - General Agreement on Tariffs and Trade

WTO - World Trade Organisations

NDC - Now Developed Countries

EEZ - Exclusive Economic Zone

MC11 - Ministerial Conference Round 11

ASCM - Agreement on Subsidies and Countervailing Measures

UNCLOS - United Nations Convention on the Law of the Sea

RFMO - Regional Fisheries Management Organisation

CCRF- Code of Conduct for Responsible Fisheries

OECD - Organisation for Economic Co-operation and Development

APEC - Asia-Pacific Economic Cooperation

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"From the days of the Indo-Norwegian Project (INP) reform in the marine and fisheries sector (1950s), the Indian fishworker was always taken for granted by the state! We were told to give up our traditional kattamarans and embrace mechanised boats, to go deeper, to be able to sail better, to catch more fish. We were told to exploit Mother Sea, which we traditionally feared and worshipped. After all, when the whole world was running for more profits under a capitalist pursuit, how could you exclude the fishers, whose sustenance depended on a better catch of fish?"

- National Fishworkers' Forum.

1 Introduction

The Food and Agriculture Organisation (FAO) recently reported that 87% of global fish stocks are fully fished and overfished [1] indicating a near-complete targeting of fish stocks in the world's oceans. Fish, amongst the widely traded primary food commodities globally, includes wild-caught and farmed fish. Around the time when the first study on fish trade was published by the General Agreement on Tariffs and Trade (GATT) in the 1980s, the global value of world trade in fish and fishery products was USD 8 Billion [2]. In contrast, by the time the World Trade Organisation (WTO) meeting concluded in Buenos Aires in 2017, this value stood a shade under USD 150 Billion. Alongside this ballooning global value, one of the most important changes in trade patterns in recent years has been the growing share of developing countries in fisheries trade, and the corresponding decline in the share of developed economies. As an outlook for 2030, the FAO predicts that all growth in fisheries (wild-caught and farmed) will occur in developing countries, with the share of Asia rising to 73% of global production [1]. As a result, national policy in India is being aligned to ensure the country is able to capitalise on the opportunity and continue to grow in prominence as a seafood exporting country.

In the early 1990s a deficit value of USD 54 Billion was reported between gross revenues and gross costs in global world fisheries [3]. This was one of the first instances of a direct link being made between subsidies and a bloated fishing capacity leading to detrimental effects on fish stocks. While there was no linear correlation between subsidies-overcapacity-overfishing[1] mentioned in the report, but it was soon perceived as such. This was hotly discussed and debated, especially at International trade negotiations. Given the WTO's global enforceable rules and mandate to assure what is seen as free and smooth trade flow, it is today seen as a platform to deliver the Sustainable Development Goals' Agenda[2] relating to fisheries subsidies by 2020 [4]. Predictably, India's

[1] See Section 2.2 below

[2] Sustainable Development Goals 14.6 - by 2020 "prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation."

stand against the removal of fisheries subsidies at the WTO's11th Ministerial Conference(December 2017) in Buenos Aires had a polarising effect with the blame for the failure being hurled in the direction of the Indian state, and the resulting burden being placed on the shoulders of the fishworkers. From the perspective of the Indian fishworkers, the counter position taken by developed countries is viewed as an act of 'Kicking away the ladder' [5] after two centuries of industrialising their own.

Through a historical overview of subsidies as an instrument of the State in what are now developed countries (NDC) this piece examines the contribution of subsidies their fisheries development. It then looks at subsidies in relation to the construction of liberal democracies in the past to inform an evolving trade discouse in the present and how subidies negotiations have evolved from protectionism to liberalisation to ocean conservation. Finally, through the story of the Indian fisheries in the pre-colonial, post-colonial and liberalised eras, the piece attempts to illustrate how subsidies have been isolated from other drivers of the ocean crisis.

The homogenisation of fisheries into a single narrative contributing to 'overcapacity' and 'overfishing' is an approach invariably filled with economic statistics but devoid of place-specific histories, thereby arriving at universal remedies like 'removal of subsidies' as a broad spectrum solution. By contextualising subsidies historically to India, this piece calls for a reform in ways of seeing subsidies as well as questions if the WTO is the right forum to deliberate upon the livelihoods of the Indian fishworkers.

"...free enterprise (is) a term that refers, in practice, to a system of public subsidy and private profit, with massive government intervention in the economy to maintain a welfare state for the rich"

- Noam Chomsky

2

Fisheries Subsidies

-an overview

The first section looks at the fundamental idea of subsidies and the different issues that are pegged on them at the current WTO negotiations. The second briefly traces how subsidies were used from the Industrial revolution until World War I. Finally, the piece examines how they have been negotiated during the GATT era and subsequently at the WTO era. The aim here is to look into the past to identify and unpack the inherent biases and omissions and their related consequences in rendering lopsided outcomes and decisions.

2.1 What are subsidies?

Subsidies are an instrument of the nation-state to support an industry or an individual economic actor. They can be in the form of direct financial contributions, income or price support, tax concessions and indirect assistance in the form of supporting infrastructure and incentives. The definitions vary from state to state, from narrow to broad interpretations.

The Agreement on Subsidies and Countervailing Measures of the World Trade Organization (ASCM-WTO), defines subsidies as: *direct or potentially direct transfers of funds from governments to firms or individuals (e.g. grants, loans, loan guarantees, equity infusions), government revenue foregone (e.g. tax waivers or deferrals), government provision of goods and services, other than infrastructure, at less than market prices, and government support of prices and incomes. To be a subsidy, the action must confer a benefit on the firm or individual, and it must be specific to an industry or group of industries.*

The rationale behind governments providing subsidies is typically to support the growth of infant industries; as welfare and social security measures for industry workers, to bail out industries that face sudden crisis and to incentivise behaviour in a particular direction [6]. In fisheries, subsidies usually come in the forms of (i) direct payments to purchase or construct fishing crafts, equipment and fuel; (ii) tax exemptions on sales or income or purchase of capital infrastructure for fishing; (iii) government loans and insurances [7].

2.2 Issues currently linked to fisheries subsidies [6,8]

- Market distortion effects: This refers to the effect that provision of subsidies has on the selling price of seafood affecting competition with other seafood commodities in the marketplace.
- Contribution to fishing overcapacity: This refers to subsidies that contribute to fishing capacity in terms of boats, gear and other equipment at lower or no cost an thus drive overfishing.

"It would be morally obtuse and analytically misleading to see this long march as simply a demand for palliatives, subsidies, waivers. Those constructions are often used to disguise the questions of distributive justice at play, and they reinforce the stereotype of the farmer as a mere victim. The long march is instead a claim for economic agency and rationality, human dignity, political representation, and cultural visibility. It needs to be engaged on those terms."

- Pratap Bhanu Mehta (on 'Long March' of farmers from Nashik to Mumbai)

Brief History of Fisheries Subsidies 3

3.1 Historical role of subsidies[1]

The first golden era of liberalism took place during the period between 1870 - 1914 where the free market and free trade was championed by Britain. This was reportedly in the form of *"laissez-faire industrial policies at home; low barriers to the international flows of goods, capital and labour; and macroeconomic stability, both nationally and internationally, guaranteed by the Gold Standard and the principle of balanced budgets. A period of unprecedented prosperity followed."* [5] This came to a grinding halt with the breakout of World War I, and in the years following the war, customs barriers were continuously raised in Europe. Similarly, with the stock market crashing in 1929, United States (US) enacted the Smoot-Hawley tariff thereby raising duties on hundreds of imported goods. These measures served to appease domestic constituencies, to protect infant industries and to generate revenue for the government.

If we look at the history of fisheries in United States, Canada, Norway, and Japan - some of whom today form the strongest voices for the removal of fisheries subsidies - the history is replete with stories of how these states provisioned capital to their erstwhile 'infant fishing industries'. From support for distant-water fishing and shore infrastructure, scientific explorations and livelihood security schemes, accident and unemployment insurance schemes, these countries' subsidies to their fishing industry also included the erection of high tariff barriers and concessions [7,8]. (See Annexure 1 on Fisheries Subsidies in developed countries)

[1] Refer Chang 2003 for extensive reading [5]

Therefore, depicting liberalism during this period as if it was devoid of subsidies paints a selective history of industrial development in NDCs. For instance, was extensively practiced through colonial treaties and unfair trade agreements allowing trade to piggyback on decades of state intervention. To foster their emerging and indigenous industries during the time of the industrial revolution, some countries had the highest average tariff rates on manufacturing imports.

3.2 GATT Era

The General Agreement on Tariffs and Trade (GATT) was established in 1947 in the aftermath of World War II, primarily as a means to promote global trade by removing harmful barriers in the belief that it would usher in economic development across the world. Led by the United States, Canada and the United Kingdom, this regime in effect was promoted by nations which were major exporting and industrialised economies. The late 1940s was not only a period of countries attempting to recover from the Great Depression and the War, but it was also the beginning of de-colonisation, with India being one of the first independent nations to sign the agreement. Fish and fishery products were initially included at the GATT under the 'Subsidies Code' which applied broadly to the export of primary goods.

Fisheries trade negotiations only took prominence three decades later, in the 1980s, when global maritime boundaries were drawn to demarcate `Exclusive Economic Zones' (EEZ) and 'High Seas' under the United Nations Convention on the Law of the Seas (UNCLOS). Suddenly 90% of the world's fish populations were distributed away from the world's largest fishing nations, and therefore creating new challenges and opportunities for world trade. Until then NDCs had enjoyed the fruits (or rather fish) from the 'Freedom of the Seas Policy' which gave them unrestricted access to fishing grounds. With the drawing of maritime borders these traditionally dominant fishing nations saw a restriction to their growth. In addition, rising oil prices and increasing operational costs changed the way fish trade had been conducted thus far, particularly for the NDC countries [2]

To counter this a number of strategies were deployed by these countries. Fuel subsidies were provided to meet operational costs, replicated again for example

during the cod collapse of 1992 in Canada. Japan resorted to a 'development-import' strategy where the country provided development aid to countries in the Asia-Pacific in exchange for access to their waters [9]. The EU signed its first bilateral fisheries agreement with Senegal and since then has concluded more than 30 agreements – primarily with countries in Africa and the Pacific.

It is worthwhile to note that at this stage, the development of trade practices looked at imbalances purely from a liberalised trade lens, with no mention of the adverse impacts of subsidies on the environment- where fisheries subsidies mainly rest today. The focus was very much on large-scale investment, technological intervention and increased exploitation to promote domestic consumption and to foster exports. Considering this history reveals two crucial lessons for the present set of WTO negotiations:

- The inherent injustice involved in the push to remove subsidies today after only some countries have climbed the fisheries development ladder putting them in a very strong position to compete internationally.
- The danger in ignoring that subsidies were not just a means to achieve economic development but also a measure designed by the state to ensure livelihood security of its fishing communities.

3.3 WTO Era

The World Trade Organisation replaced the GATT through to the Marrakesh Agreement in 1994. However, the foundations of the WTO had been conceived in the 1980s during the Uruguay Round. As member countries grew from 23 in 1947 to 123 in 1994, the GATT began to strain. Together with the fall of the Berlin Wall, the 1990s saw the heralding of a renewed global liberalised economic order; India too opened up its markets to international trade 43 years after independence. Bargaining power at this forum continued to be concentrated with the 'Big 3' - United States, European Union and Japan. Since the new millennium China, India, Brazil, South Korea and South Africa too have gained considerable negotiating weight. It is worth bearing in mind that these developments took place at a time which saw a tilt in the share of fish production from the developed to developing nations.

In light of the deficit value of USD 54 Billion report by FAO, the Organisation for Economic Cooperation and Development (OECD) and the World Trade Organisation (WTO) attempted to formulate rules that would apply to fisheries subsidies. Soon, conversations began to move beyond subsidies as mere barriers to trade, concentrating more specifically on the role subsidies played in environmental degradation. With a World Bank report in 1998 citing, *"the impacts of subsidies in fisheries is seen more in terms of conservation that in the context of trade injury",* and similar studies from the OECD and Asia Pacific Economic Coorpoeration (APEC) analysing subsidies, the linear correlation of subsidies to overcapacity and therefore leading to overfishing became became accepted.

In the case of the restricting fisheries subsidies , an informal coalition of countries 'Friends of the Fish' formed a pressure group in 1999. At this stage, Japan along with South Korea and the EU had argued that the matter was better placed to be negotiated outside the WTO through a series of international management measures such as Regional Fisheries Management Organisations (RFMOs), new conventions such as the United Nations Fish Stocks Agreement (UN-FSA) and new guidelines such as the Code of Conduct for Responsible Fisheries (CCRF).

However, by 2001 a coalition of countries led by the United States, Iceland, Australia and New Zealand (countries with minor subsidy programmes by now) pressed on with the negotiations on fisheries subsidies at WTO. Finally, after a trade tug-of-war between Japan and the US (incidentally the two biggest importers of seafood from India), fisheries subsidies made its way into two paragraphs - the Agreement on Subsidies and Countervailing Measures and the Committee for Trade and Environment of the Ministerial meeting's official declaration. This Doha Declaration cemented the trajectory of the negotiations to centre around ocean conservation, while establishing the WTO as a platform to negotiate on the matter.

Within a period of 2 decades, the subject of subsidies had gone beyond a trade liberalisation agenda to being declared in relation to the health of the oceans and the environment. Leading to the Hong Kong round in 2005, it was evident

that the work ahead was not if the WTO needed to negotiate on the subject of WTO subsidies but how it was to do it. At the end of the Hong Kong round the declaration reflected the diverse environmental, trade and development components of fisheries trade, and it was thought that this provided a fair and balanced way ahead. However, after this initial impetus very little progress was made on agreements related to fisheries subsidies until 2015. Significant differences remained between the three approaches: i) elimination of all subsidies; ii) tackling the environmental issue at the WTO platform; ii) exemption from subsidies elimination for developing nations.

3.4 The collapse of the Buenos Aires round

In 2015, the adoption of the Sustainable Development Goals (SDG) brought the spotlight on the oceans, and established the need for a multi-agency approach to deal with the 'crises of the oceans'. With the SDG deadline of 2020 for fisheries subsidies and the legal mandate available to the WTO to enforce its rules, the negotiations on fisheries subsidies have been revived.

In the recently concluded meeting in Buenos Aires in December 2017, the WTO failed to produce a Ministerial Declaration. The big issues regarding the food security right of developing nations and the centrality of development to world trade [11] were the points of disagreement between countries. This in turn led to nations blocking deals on a host of other agreements, including fisheries subsidies. India, which refused to budge on the public stockholding of food issue, ended up stalling progress on fisheries subsidies. In the days after the collapse of the WTO talks, India that "supports the ongoing destruction of the oceans and of artisanal fishers" [13].

3.5 Concluding Remarks

India's submission to the WTO 2014-15 shows subsidy amount of 284 crores (approx. USD 40 million) [15] .The schemes varied from fuel subsidies, fishing gear, infrastructure support, vessel construction among others. However, when compared to the global fisheries subsidies estimated to be at USD 30-34 billion per year [16], this totals to a mere 1/70th to 1/85th of the global amount. This ratio pales in significance further when compared to India's positio as the world's 7th largest fisheries exporter. It is also evident that the largest majority

of the schemes are geared towards fuel subsides, with a larger chunk to the mechanised boats. This makes sense given the trajectory of the fishing vessels moving away from the coastline, spending longer days at sea and using more power to pull gear. However, this spatial distribution and intensification have largely been driven by the transfer of technology from the Global North to meet their swelling demand of seafood.

Contextualised against this background, there is a need to deconstruct and problematise the narrative of a simplistic linear causation between subsidies and overfishing. This is largely because 'overcapacity' and 'overfishing' are relative and neither easily measurable nor identifiable. The baseline capacity over which excess capacity can be measured is in itself highly variable quantity dependent on annual variations, seasonality, natural fluctuations, species heterogeneity and species interactions. As developing countries are largely in tropical waters, this makes the measurement of right capacity even harder. Finally, there is an extreme amount of diversity and difference of scale in what capacity entails in different parts of the world. While overfishing focussed on the number of vessels and people involved, it ignores the gross tonnage/vessel and levels of automation. [17,18]. Generally, higher the Gross Tonnage to Vessel ratio, higher are the operating and replacement costs and lower are the number of people employed. This indicates that the more industrialised vessels of the NDCs require a higher degree of state support while themselvessupporting lower per capita employment. The scale of industrialisation in fishing fleets is important to consider, especially in light of the way negotiations relating to industrial agriculture have been conducted at the WTO. Additionally, measuring sustainability of a fish-stock in tropical waters is not a straightforward process making it hard to assess when a specie, or a fishery as a whole, is biologically overfished. Therefore it is erroneous to apply theoretical single-specie models from temperate waters to multi-specie tropical waters.

The argument for subsidies removal is similar to the Malthusian overfishing[2] theories. In that they both place the problem in the Global South. Also, but more

[2] Mathusian Overfishing (see Finkbeiner et al 2017) - "An Essay on the Principle of Population" by advances the theory that unchecked human population growth will outpace resources leading to increasing poverty. This is theory in the fisheries context is linked to a neo-malthusian notion where "overpopulation of the planet would lead to the destruction of the environment"

significantly, these theories reduce the solutions to single, isolated points of intervention[19].In the case of subsidies, the member countries pushing for their removal forget that highlighting subsidies as a contributor to market distortions and ‘negative resource oriented effects’ must be balanced against its tremendous ‘positive people oriented effects’ [8]. Which means, while subsidies are intended to increase capacity for growth, they are also simultaneously introduced to uplift welfare and living standards of fishing communities. In addition, these negotiations tend to homogenise what makes up a fishery - the resource, the means of fishing (gear/vessels/techniques) and the fishworker- and as a result end up distorting what ‘overcapacity’ and ‘overfishing’ mean.

"The danger of a single story is that it creates stereotypes, and the problem with stereotypes is not that they are untrue, but that they are incomplete. They make one story become the only story."

-Chimamanda Ngozi Adichie

4

The Story of Indian Fisheries

Note - this is not intended to be a comprehensive history of fisheries in India but a reading of the past to contextualise the current fisheries subsidies debate.

What characterises the Indian fisheries story is that there is no a narrative. This is attributed to the geographical, cultural and ethnic diversity of its coastal states and waters. Fisheries is managed under the jurisdiction of nine coastal States and four Union Territories. The west coast, with its wide continental shelf, is high in primary production whereas the east coast's narrow shelf sees lower catch in comparison. This place-specific difference between coastal states is apparent in how fishing crafts and techniques have evolved. Leading to where socio-political agency or power has accumulated, how markets and governance is accessed and how benefits are distributed [21]. There are 3827 fishing villages and 1914 traditional landing centres along the 7500 kilometre coastline [22]. Adding to this heterogeneity is the deployment of fisheries policies and development plans over the last seven decades through India's federal system. Re-tracing the fishery through three periods - colonial (up to 1947), post-colonial (1947-1991) and liberalised (1991 to present) - provides background to examine India's current domestic policies and international position on fisheries subsidies.

4.1 Colonial Period (late 19th century - 1947)

An important myth to be debunked right at the outset is the perception of Indian fishworkers as a community of illiterate, poor, subsistence based, unenterprising people [23]. This image, passed down from colonial rulers to the post-colonial Indian technocrats, fails to see the levels of socio-political and economic agency of the Indian fishworkers [24]. For example, the south-western coast of Kerala had an important place in the transoceanic trade route and was home to a booming sardine trade, domestic supply of dried fish and export of fish oil to Europe. "*While the sector by no means gave the visual impression of being*

'modern', it certainly was innovative and dynamic" [25]. In the early 20th century and just prior to independence, fisheries was broadly subsistence artisanal based.

The emergence of India as an independent socialist republic in 1947 coincides with the setting up of the GATT (now WTO) and other instruments with the view to help countries recover from World War II. Just prior to this the Bretton Woods Conference resulted in a few crucial outcomes. Firstly, it replaced the Gold Standard to a system of adjustable exchange rate shifting to the US dollar. Secondly, it led to the creation of the International Monetary Fund and the World Bank. At this global juncture, India was subsumed by the 'post-war global development regime' [26] and what ensued was a path to establish a modern self-sufficient independent nation. The Nehruvian vision, which embraced 'Science and Technology', was also applied in the fisheries context. This was reflected in the five-year-plans that followed which aimed to bring technology and knowledge transfer from the west to Indian waters, and laid emphasis on the idea of 'modernisation' through a 'Blue Revolution' [27]. This was to be a federal manifestation of a centrally envisioned programme to compliment the 'Green Revolution' of India's agriculture sector.

4.2 Post-Colonial Period

1950s - Focus on Community Development and Modernisation of Craft

The tripartite agreement between India, Norway and the United Nations (UN) in 1952 established the Indo-Norwegian Project (INP) in Kerala. This was part of a unique UN post-war reconstruction and development effort to provide technical assistance and aid to newly independent countries. After some initial hiccups the Norwegians altered their initial mandate of technical assistance to match the Government of India's priority of a 'Community Development Programme' [28]. In their attempt to templatise and transfer Norwegian technology, they failed to adapt to local contexts, crafts and customary principles of trade between fishers and merchants [25]. Soon through experimentation, traditional *kattumaram* boats were finally retrofitted and motorised (inboard and outboard engines). Along side this there were efforts towards mechanisation, 25 feet boats with 8-10 horsepower engines were capable of trawling in deeper waters, they were

compatible with traditional gear for near-shore fishing and required a small crew to operate [23]. While this decade was characterised by community welfare and the upliftment of the sector through modernisation, catch landings were primarily through the artisanal non-motorised boats [29].

1960s - Shift of focus from welfare towards building an export oriented fisheries economy

Coinciding with the global demand for shrimp by the 1960s, these new trawlers became the vessels of the 'Pink Gold Rush'. From late 50s to early 60s, export quantities from India to US and Japan for penaeid prawn grew threefold [18]. This decade marks the growth in the number of trawlers through massive deployment of schemes, technology training programmes and land-based supporting infrastructure through the 'Integrated Fisheries Project'. While the highlight here was the start of mechanisation, there was also a significant effort towards motorisation of artisanal craft. However, as the prawn export was initiated by the enterprising merchant class, the subsequent trawler ownership by the end of this decade was largely concentrated in the hands of middlemen who consolidated tremendous political power. This entry of new players diluted the state's intention of empowering fishworkers through establishing fisher-cooperatives. While statistically the sector saw immense growth by exporting

Small Scale Fisheries (SSF) in India

The Indian state categorises fisheries in technological terms - non-motorised, motorised and mechanised crafts. However, there is tremendous ambiguity between these categories as to who and what constitutes SSF [30]), since not only does the socio-economic criteria overlap between these technological catergories, it is also varies from a location to another [31]. In fact, the FAO SSF Guidelines explicitly state that they, "do not prescribe a standard definition of small-scale fisheries nor how the Guidelines should be applied in a national context" [32] . This is crucial to bear in mind while reading the fisheries development history in India, as unlike the global north where one see a uniform industrialisation of the sector, in India not only is there a trend of growing SSF in the artisanal and motorised categories, but even in the mechanised sector. At a broad level India's fisheries still remain small-scale, largely overlapping the categories of small-scale artisanal and small-scale commercial [33].

prawns, the unequal distribution of schemes and technology led to the shift in power dynamics, socio-economic inequity and sowed the seeds for conflict in the coming years.

1970s - Boom, Bust and Conflict

Although trawlers were intended to operate in deep waters, the target of prawns for export limited their range within the inshore waters. Japan replaced the US as the highest importers of seafood from India. While the first two years of the decade saw the highest landing yet of prawns, oil sardines and mackerel, catches plummeted rapidly by the mid-70s [25]. In 1977 India introduced its first offshore policy of chartering arrangements with foreign companies. This amplified the growing tensions between mechanised trawlers and artisanal crafts which shared fishing grounds, and soon conflicts erupted across many states as a result. This is a crucial juncture in the fishworkers' history, with the SSF organising themselves into unions and demanding a fisheries regulation that was more equitable and with measures to sustainably harvest marine resources. The period between 1976 and 1980 saw marches, hunger strikes and protests across coastal states demanding the government to act. The conflict led to regulatory measures being adopted through the government's appointment of the Majumdar Committee. The recommendations of a policy that protects the interest of small-scale fishers resulted in the 'Marine Fishing Regulation Act 1978'.

1980s - Maritime boundaries and Motorisation of artisanal fleets

With the demarcation of EEZs under the UNCLOS and in the wake of the oil crisis, fishing fleets of many countries found it difficult to access their distant fishing grounds. India also imposed depth restrictions which resulted in many of the foreign vessels leaving the country as they were targeting inshore grounds. In the coastal state of Kerala, for instance, this spurred investment into the private sector towards mechanisation because despite a drop in catch numbers the exponential increase in prices was sufficient incentive [25]. This saw rapid motorisation with outboard motors (OBM) of traditional-and better beach landing-crafts especially in Andhra Pradesh and West Bengal. This race towards increasing engine horsepower locked the SSF in a scenario where they experienced a drop in catch numbers, increase in operational cost and mounting

debt [18]. The predicament of the SSF at the end of this period is well articulated through the following quote:

"In the 1960s we sold our prawns to the Japanese; in the 1970s our cuttlefish too. At that time we decided when to fish and they determined the price of our fish. In the 1980s we lost out on our sailing skills by switching completely to their OBMs. Now they also decide whether we can go to fish. I hope that in the 1990s I won't have to sell my soul to them"

-Kerala Fishworker [18]

4.3 Liberalised Period

1990s - Liberalisation of Indian Economy, entry of Joint Ventures and thrust on Aquaculture.

The Coastal Regulation Zone Notification, 1991 divided India's coastline into zones for different uses, ushering in a race to claim these zones by a range of new users. Coincidently, the 'Structural Adjustment Programme' of the World Bank resulted in "fresh compulsions to adopt new technologies; pressure to export more fishery products; and efforts to redefine the access rights to the coastal marine resources"[18]. The demise of the first Blue Revolution (Capture fisheries launched in the 1950s) was evident by the time India opened up its markets to the free world. In the course of four decades, as a result of mechanisation and the resulting conflict, fishworkers along the coastline had lost the ability to maintain preferential access to inland and near coastal waters, to regulate fishing practices and to resolve conflicts [34]. With the launch of the second Blue Revolution in aquaculture and deep sea fishing during this decade, the coastal and marine commons saw a fresh round of grabbing for both export-oriented shrimp farming and resource-intensive development. With fishing effort in the near-shore waters yielding diminishing returns, the Indian state opened up its waters to foreign vessels to access the underutilised potential of the tuna stocks through its 'Deep Sea Policy'. The decision of the Indian Government to deregularise the EEZ to joint ventures between foreign and Indian companies was part of the post-1992 process of liberalising the economy, as dictated by the

GATT. The economic rationale was that since these ventures were 100 percent export-oriented, they would augment foreign exchange earnings. [35] This period once again saw agitations from the fishworkers culminating in a strike under the National Fisheries Action Committee Against Joint Ventures (NFACAJV), spearheaded by the National Fishworkers' Forum (NFF). The strike led to the formation of the Murari Commission, the findings of which are a milestone in the history of the fisheries movement in India. The Joint Venture licenses were subsequently cancelled in late 1997.

New Millenium Onwards

With the rise in fuel prices in the 1990s the thrust towards the turn of the new century was more on aquaculture and motorisation. The phase seaw a marked shift in the contribution of aquaculture which went up from 46 percent in the 1980s to over 85 percent in recent years in total fish production. Freshwater aquaculture showed an overwhelming ten-fold growth from 0.37 million tonnes in 1980 to 4.03 million tonnes in 2010. In 2002 India once again introduced a joint venture scheme called LoP (Letter of Permit) creating a host of issues such as catch-discards. As an example, an estimated 24,000 tonnes of fish was lost through illegal transhipments by Taiwanese owned longliners operating under the LoP scheme in 2007 alone [36]. The tsunami of 2004 marked a period of significant change in the memories of coastal dwelling communities. International aid pouring in towards post-disaster reconstruction efforts in many of the coastal states, especially along the south-eastern coast, spurred an increase in capacity through the replacement of lost boats. In 2017, Government of India announced a third Blue Revolution through its and *Neel Kranti* Mission and the 'National Policy of Marine Fisheries 2017'. The common theme that has run through the Indian government's fisheries policies-from the 1950s till today - is the quest to exploit untapped potential in the deep sea, no matter how many conflicts this quest has induced.

4.4 Concluding Remarks

Reflecting on fisheries development over seven decades it becomes clear how the Indian democracy, while founded on the principles of socialism, was never exempt from the pressures of the free market. This transition is seen where

development policy in the 50s quickly shifted to a neoclassical model of capital replacing labour in the 60s. While prawn export to US and Japan rose from 496 tonnes in 1957 to 54,000 tonnes in 1982, the ones that reaped the benefits of this 'pink-gold rush' were largely *"..non- operating entrepreneurs or capitalists who owned the means of production.."* [25]. Throughout this period, the roles of GATT (later WTO), the World Bank and IMF are implicit in the promotion of export demand and therefore the large scale mechanisation. The Structural Adjustment Plan of the 90s further intensified fishing effort, while promoting fish-farming in near coastal and brackish waters. The Comprehensive Marine Policy (2004) which was implemented to regulate fishing outside of territorial waters stated "to boost export of seafood from the country" as one of its main objectives. Facilitated by instruments of the free-market, the transfer of technology without the appraisal of its interaction with the fishworkers has led to a cycle of marginalisation that continues till date.

As India enters its third cycle of the Blue Revolution (built on intensive aquaculture, private investment, deep-sea fishing and further centralisation), there is a threat that looms over the SSF of further marginalisation. To quench India's thirst for economic growth, current domestic coastal and marine policies are being oriented towards international trade through policies such as the National Policy of Marine Fisheries and Sagarmala's Port-led Development and the Nationalisation of Waterways. In combination, they forecast a tense competition of claims along India's coastline and river banks. This mega-development strategy, sanctioned through 'Coastal Zone Management Plans' often prepared without any public consultation, has become a tool to oust them from the coastline. In this light, the added threat of subsidies removal on one hand and its encouragement of India's coastal development plans on the other, implicates the WTO in the 'Ocean Grabbing'[1] process.

[1] Ocean grabbing refers to dispossession or appropriation of use, control or access to ocean space or resources from prior resource users, rights holders or inhabitants. This occurs through inappropriate governance processes and might employ acts that undermine human security or livelihoods or produce impacts that impair social–ecological well-being. It can be perpetrated by public institutions or private interests.

"Yeh azaadi azaadi kya, jisme mazdoor ka haq na ho?"
(What is this freedom, in which workers do not have rights)
- Maqdoom Moinuddin

5 Discussion

5.1 Reforming the WTO

How countries are able to negotiate inside the WTO is dependent on power structures outside of it. In addition, how each country views the outcomes of trade negotiations is specific to their history. Predictably, trade negotiations have always been a lopsided process. From its beginnings, the WTO has been an essential institution to advance and accelerate the interests of Transnational Corporations (TNCs). A 2013 report by the UNCTAD puts the TNC's share of Global Value Chains at a whopping 80%. In the guise of a multilateral trading system, it has established global, enforceable rules to assure free and smooth trade flows for the TNCs. The core values of the WTO have created a trade and investment architecture of privilege for TNCs. Among the sovereign state members of the WTO, the platform offers more benefit for the powerful - a long way from equal treatment among sovereign states.

The recent move by the US to hike anti-dumping duties on Indian shrimp imports can be seen both as a continuation of lopsided protectionism within the WTO and well as the subjection of the WTO to the whims and fancies of powerful nations. As a means to right these historical imbalances between the negotiating countries, a Special and Differential Treatment (SDT) clause was included in the agreement at the Doha Round. However, the Buenos Aires round collapsed precisely because of the rigidity of powerful countries to agree upon the demands of developing countries under the SDT clause. In addition, the absence of any representation of small scale food producers, including small scale fishers jeopardises the WTO's own commitment to Special and Differential Treatment (SDT). The public perception and the urgency to respond to the ocean crisis have managed to draw world attention away from the larger issues of power imbalances within and outside the WTO.

5.2 Identifying the real drivers of overfishing

Over the last 20 years, the discourse around disciplining subsidies has been linked to their contribution to both, overfishing and their market distorting effects. The overfishing argument relies on a very reductionist view of fisheries stemming from the 'Tragedy of the Commons' and the 'Malthusian Overfishing' theories[2]. This trend *"unfairly blames fishers in the small-scale sector particularly from developing countries, and diverts accountability from net importers of sea-food who benefit from and even drive increased fisheries harvest. This omission can lead to the creation of systematic winners and losers on a global scale and inhibit the development of sustainable fisheries policies."* [19] This masks the other major drivers of marine resource depletion. For instance, developed countries, encompassing a mere 12% of the world's population, consume 30% of the world's fish supply. In India this demand is what drove the transfer of technology from Norway in the 1960s reorienting the subsistence-based fishery towards an export-oriented industry. As a result, in India subsidies should be looked beyond their international market distorting effects and more as the mechanism of the state to deliver on its welfare mandate.

5.3 Back to welfare

The overfishing crisis in India can only be understood when viewed through the lens of systematic inequalities of economic exclusion, social marginalisation, class exploitation and political disempowerment of fishworkers [37]. Consequently, the applications of technology and the resulting benefits have accrued in the hands of the historically dominant. The growth in trade has led to dependencies on middlemen and financiers. And finally, the governance of the state too has favoured those who enjoyed the most amount of political agency. India's seven decades of mechanisation, privatisation and export-oriented fisheries development have exacerbated the power differentials within the Indian state. From the perspectives of the fishworkers, agency and consent have simply been bypassed.

[2] The Tragedy of the Commons approach states that unless effective access controls are introduced and maintained, new entrants continue to enter the fishing arena, reducing the profit available to each fisher, and thereby driving overfishing. In the 'Malthusian Overfishing' theories a where small-scale fishers in developing countries engage in 'wholesale resource destruction in their effort to maintain their incomes.' Both the Tragedy of the Commons and the Malthusian Overfishing theories place the problem of overfishing on population and poverty, thus shifting the focus to areas with high population.

Therefore, attempts made to reform the WTO must be complemented by efforts to reform fisheries governance within India. The Indian state by purely looking at its fishworkers purely through the lens of poverty and backwardness, and therefore in need of capitalisation and technology, has failed to take cognisance of the diversity and values of the SSF. By using development aid, by providing subsidies and by aligning its fisheries policies towards an export-oriented market, India has perfectly played into the linear subsidies-overcapacity-overfishing explanation of its fishworkers.

There are two major points of intervention-and reinvention- that are needed to move ahead on the subject of fisheries subsidies. The WTO needs to be reformed towards a more level-playing field by re-visiting the principles of democracy and transparency. Simultaneously the Indian state must reform national policies away from prioritising export trade, exploiting new fishing grounds and increasing private investment and instead put fishworkers at the centre of decision making. This will give impetus to the demands for a fairer globalised food system with the inclusion and participation of the world's primary food producers.

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Annexure 1

Subsidies & the role of the state in developed countries

(See Shrank 2003 ; Kurien 2003 ; Radhika Kumar: Fisheries Subsidies Negotiations at the WTO : The Real Catch)

If we look at the history of fisheries in United States, Canada, Norway, and Japan - some of whom today form the strongest voice for the removal of fisheries subsidies - it is replete with stories of how these States provisioned capital to their erstwhile 'infant fishing industries'. From support for distant-water fishing and shore infrastructure, scientific explorations and livelihood security schemes, accident and unemployment insurance schemes, these countries' subsidies to their fishing industry also included the erection of high tariff barriers and concessions. The section below illustrates this history specifically in the United States and Norway

United States: The very first presidential term of United States saw subsidy relief in the form of tax relief and tariffs for fisheries. Two centuries later, during the industrial revolution period extensive research was carried out to assess stocks for exploitation, alongside setting up of hatcheries. By 1920s efforts were made to expand markets and attract private players to enter to set up post-harvesting technology, which has continued with increasing state support well into the late 20th century. This is clear in the way king crab fishery was established in Alaska. Post World War II tremendous effort was made to revive fisheries and to increase demand for fish through state sponsored television shows, education programmes, store demonstrations and trade shows abroad. Starting in 1957, the Fisheries Loan Fund was used to encourage the expansion of the fishing fleet, through the refinancing of old debt or the creation of new debt for vessel construction as livelihood security schemes. This programme, evolved into the Fishing Vessel Obligation Guarantee Programme and then the Fisheries Finance Programme. The Vessel Mortgage Insurance Programme was established in 1960 to provide insurance for mortgages taken to finance fishing vessel construction. The US Government also provided substantial specific subsidies to the fisheries.

It transferred fishing equipment to the private sector, presumably at no cost and in addition, implemented the Fishing Vessel Construction Differential Subsidy Programme and other subsidy programmes to promote the expansion and modernization of the American fishing fleet. It even launched a scheme to permit foreign access to US waters for US access to foreign markets.

Norway: The country has impressive history of state sponsored schemes and subsidies and is known in the sector for setting up the Norwegian State Fisheries Bank in 1933. Low interests rate on loans were given to encourage vessel building and processing equipment and in some cases interest free loans were also disbursed. The Master Agreement for the Fishing Industry was negotiated between the Government and the Norwegian Fishermen's Association. Under the Master Agreement, specific Government financed subsidies were negotiated each year, a primary goal of which was to ensure that fishermen received wages equivalent to those paid to shoreside workers. This lasted until the mid 1990s. During the period of the Master Agreement, there were, in addition, numerous additional subsidies outside the Agreement. These include subsidised vessel loan arrangements, first under the National Fishery Bank and later, starting in the late 1990s, under the Norwegian Industrial and Regional Development Fund. The loans increased substantially in the later part of the decade. Fish processing firms in the north were also given access to substantial loans, grants, and loan guarantees from the Fund. There was no attempt made to recover the substantial cost of fisheries management from the industry in addition to which Norwegian fishermen pay reduced income, value added and fuel taxes. General programmes to support the economy of the north, such as transportation, community and education subsidies, also support the fishery, an important industry in that area. As per the OECD statistics, Norway's FIsheries Support Estimate for 2016 totalled USD 221.46 million.

New Zealand: Two policy instruments that were used by New Zealand to encourage the expansion of their domestic fleets into the EEZ included (1) package of financial incentives to domestic industry including duty free vessel importation, concessionary interest and suspensory loans, investment allowances and tax incentives and (2) Joint Ventures which enabled domestic fishing companies to

acquire technology and expertise, gaining access to international markets and supplying on-shore processing facilities. The foreign partners contributed equity to joint venture, provided capital for plant and equipment and assisted with access to international markets. The companies in New Zealand could charter foreign vessels. The chartered vessels were used to provide the supply of raw materials necessary to establish on-shore processing and distribution facilities. It was also recognized that the industry's rapid expansion was largely attributable to joint ventures. (Sharp, 1997, np).

European Union: Within the period of 2000-2006, the EU granted subsidies of more than Euros 480 million for the construction of new vessels and more than Euros 227 million for increasing processing capacities amounting to Euros 707 million for expanding fishing fleet capacity. In addition, fuel tax exemption remain an additional subsidy provided by the EU. In relation to the subsidisation by region, from 2000-2008, EU has given a total of Euro 34.5 million to subsidise its Mediterranean Tuna Fishing Fleet for construction of new boats and to modernise existing vessels where 1 million euros was used to decommission vessels.