



POVERTY IN COASTAL FISHING COMMUNITIES

A brief for FAO's Advisory Committee on Fisheries Research (ACFR)

Abstract

Combating poverty is high on the agenda of governments and the international community. Currently, there are few hard data and analyses on the nature and extent of poverty in fishing communities, on the relative importance of different causes of poverty and on the most effective actions to alleviate poverty. Currently, among FAO's regular and field programme activities only the UK-funded Sustainable Livelihoods Programme has a focus and thrust on poverty alleviation in fishing communities. Many other FI activities are explicitly or implicitly addressing poverty but the extent to which these activities contribute to poverty reduction is not well known and a more direct targeting of poor people may be warranted.

Introduction

Combating and eradicating poverty is one of the principal priorities of the international community. The 1995 UN World Summit for Social Development (Copenhagen 6 – 12 March 1995) expressed the commitment to this goal as an ethical, social, political and economic imperative of humankind. The UN Millennium Declaration adopted by the fifty-fourth session of the General Assembly, New York, September 2000, contains the commitment to halve, by the year 2015, the proportion of the world's population whose income is less than one dollar a day and the proportion of people who suffer from hunger. The 1996 Rome Declaration on World Food Security pledged political will and common and national commitment by governments to achieving food security for all and to reducing the number of undernourished people to half their present level no later than 2015.

The measurement of poverty, the identification of the poor and their characteristics, and the best policies and actions to alleviate poverty have also received wide academic research interests in recent years and have been the main thematic subject of the latest World Development Report (September 2000) by the World Bank.

Currently, the normative areas of work by the Fisheries Department (FI) do not explicitly address poverty in fisheries. Poor people are addressed implicitly in the Code of Conduct of Responsible Fisheries as members of small-scale fishing communities or artisanal fishers who should be rendered with special protection and assistance. Article 6.18 on General Principles, for example, recognizes the important contributions of artisanal and small-scale fisheries to employment, income and food security and calls on States to "*appropriately protect the rights of fishers and fishworkers, particularly those engaged in subsistence, small-scale and artisanal fisheries, to a secure and just livelihood, as well as preferential access, where appropriate, to traditional fishing grounds and resources in the waters under their national jurisdiction.*" Similarly, Article 9.1.4 on Aquaculture Development calls on

States to “ensure that the livelihoods of local communities and their access to fishing grounds are not negatively affected by aquaculture developments”. In the same vein, Article 10.13 on Integration of Fisheries into Coastal Area Management asks States, when governing access to coastal resources, to take into account “the rights of coastal fishing communities and their customary practices to the extent compatible with sustainable development.”

As regards FI’s field programme activities, the UK-financed five-year, US\$34 million Sustainable Fisheries Livelihoods Programme (SFL) targets approximately 5 million people in the 25 participating countries of Sub-Saharan Africa who are directly employed in artisanal fisheries. SFL seeks to promote the sustainable use of fisheries resources and the importance of fisheries for poor, artisanal fishers, fish-processors and traders, most of whom are women. Many of the target groups of the SFL are believed to be poor but no precise definition and measurement of poverty is available.

Small-scale and subsistence fisheries have often been denoted as ‘employers of last resort’ implying that people enter open access fisheries when they are unable to make a living in other sectors. In fact, it has often been argued that the open access characteristic of many marine and inland fisheries is one of the important causes for widespread and persistent poverty in fisheries. Obviously, where labour mobility is not impeded by social, cultural or other factors such as skill, people can be expected to enter open access fisheries as long as incomes elsewhere in the economy are lower than in fisheries. Unconstrained labour mobility and open access, therefore, presuppose that poverty in fisheries will continue to persist as long as there is poverty elsewhere in the country. There is evidence of considerable labour mobility into small-scale and industrial fisheries in various countries (e.g. Thailand, Philippines, China, Senegal). There is also evidence that in some countries labour mobility into fisheries is somewhat constrained by social and cultural factors (e.g. caste system in India). But even where mobility is attenuated, population growth within fishing communities as well as the adoption of more powerful fishing technologies can cause biological and economic overfishing and lower incomes and fish production. This points to the importance of improved fisheries management in alleviating poverty in fishing communities.

In so far as small-scale fisheries are globally the main suppliers of fish and fishery products for direct human consumption, there is a wider relevance of combating poverty in fishing communities by, simultaneously, assuring sustainable fish supplies to consumers who are often poor themselves. In other words, the development of small-scale fisheries can make both a direct contribution to poverty alleviation within fishing communities and an indirect contribution by ensuring fish supplies to poor consumers in general.

The Nature of Poverty

The World Development Report (2000) enlarges the traditional conception of poverty encompassing both low levels of income and consumption and low levels of achievement in education, health and nutrition status with two other dimensions, namely vulnerability and powerlessness. The broader conceptualization is based on the voices of the poor themselves as assembled through large-scale participatory appraisals in many parts of the world as well as on the philosophical arguments of

Noble Prize winner Amartya Sen and others who view poverty as a deprivation of basic capabilities rather than merely low incomes (World Development Report 2000).

This wider conception of poverty appears to be particularly well-suited for small-scale and artisanal fishers who often live in remote and isolated communities, are poorly organized and politically voiceless and are often highly exposed to accidents and natural disasters. In purely income terms, small-scale fishers may often compare favourably with small-scale farmers or agricultural labourers. But in terms of educational, health and nutritional status, participation in political decision-making, and vulnerability, small-scale fishers and fishing communities often appear to rank lowest in society. One should hasten to add, however, that there are considerable variations in the economic and social status as well as political influence of small-scale fishers across countries and regions.

Research issues

Perhaps it is best to pose first the question if there is any research issue at all regarding poverty in fishing communities? Much of the attention of FI and the international 'fisheries' community is currently directed towards achieving 'sustainable development' in fisheries without a specific thrust on alleviating poverty. This can be inferred from both the Code of Conduct for Responsible Fisheries as well as from FAO's definition of sustainable development which both do not call explicitly for giving special attention to combating poverty. FAO's definition reads as follows:

"Sustainable development is the management and conservation of the natural resource base and the orientation of technological and institutional change in such a manner as to ensure the attainment and continued satisfaction of human needs for present and future generations. Such sustainable development (in the agriculture, forestry and fisheries sectors) conserves land, water, plant and animal genetic resources, is environmentally non-degrading, technically appropriate, economically viable and socially acceptable."

There are some good reasons why poverty alleviation does not feature prominently in FAO's quest for sustainable development. FAO's mandate does not encompass some of the important dimensions of poverty such as health and education. On the other hand, as one of the important causes for unsustainable practices and degrading resource use has been identified as poverty itself, greater attention to targeting poor people may be more than justified also from a 'sustainable development' perspective.

Understanding and measuring poverty

Turning now to research issues specifically, a first priority appears to be to obtain a better understanding of the nature, causes and extent of poverty in fishing communities.¹ While it is often stated that small-scale fishing communities have

¹ This is a task of a tall order and care would have to be taken that it is not undertaken for the sake of research but to improve policies and programmes for poverty alleviation. A large body of research has accumulated in recent years on poverty in agricultural communities and urban areas that can provide guidance on research methodology and for comparison with fisheries and fishing communities.

poverty rates above national averages, hard evidence is limited and far in-between. Moreover, little if any information is available on whether poverty has increased or decreased over time and what have been the causes for any changes. There has been rapid technological change in many small-scale fisheries and they have become increasingly drawn into the global economy through both input and output markets but little is known on the impact these developments have had on the severity and extent of poverty. There is some anecdotal evidence that motorization has increased economic and social stratification and inequality in fishing communities but little is known on whether it has increased the rate of poverty.

Economic growth has proved to be one of the determining factors in reducing poverty in countries. There is some anecdotal evidence that national economic growth 'trickles down' to fishing communities but again there are few hard facts. In Southeast Asia, it is notable that people of Myanmar, a country with a per capita GDP of one seventh of that of Thailand, have largely replaced Thai people from the mountainous north eastern region on board of the Thai industrial fishing fleet. On the other hand, there has been an increase in the number of Thai and Indonesian fishermen on board of Malaysia's industrial fishing fleet. It is too notable that Malaysia and Korea, globally among the strongest growing economies in recent decades, are perhaps the only countries in the developing region of Asia where the number of active fishermen has declined in absolute terms.

Several characteristics of people and households are known to be more common among the poor than the rest of society. These include old age, sickness and incapacitation, households with large numbers of children, single parent households and female gender. There is some evidence that traditional work sharing and output sharing systems of fishing communities provide some insurance for these vulnerable groups against destitution and hunger. For example, at beach landing sites it is a common sight to see old and incapacitated people waiting to receive 'their share' of the catch. Are such traditional insurance mechanisms more common in fishing communities than elsewhere in society? And if so, are they in any way related to the open access or common property characteristics of fishery resources and the widespread belief that fish is 'God-given'? Have these insurance mechanisms been affected in any major way through technological change in fishing and greater commercialization?

On the consumption side, a research issue is whether there has been or continues to prevail a special role of fish and fishery products in ensuring food security of poor people in society at large? Are people below national poverty lines among regular fish consumers and especially dependent on fish for their nutritional status. Or has fish become increasingly unaffordable for the poor.

How to alleviate poverty in fisheries?

The World Bank's World Development Report 2000 (p. 33) proposes a framework of actions to attack poverty built on three pillars:

Promoting opportunity: expanding economic opportunity for poor people by stimulating overall growth and by building up the assets of poor people and

increasing returns on these assets through a combination of market and nonmarket actions.

Facilitating empowerment: making state institutions more accountable and responsive to poor people, strengthening the participation of poor people in political processes and local decisionmaking and removing the social barriers that result from distinctions of gender, ethnicity, race and social status.

Enhancing security: reducing poor people's vulnerability to ill health, economic shocks, policy-induced dislocations, natural disasters and violence, as well as helping them cope with adverse shocks when they occur.

All three pillars appear to be eminently relevant, not merely in reducing poverty in fishing communities but also in enhancing the contribution of the fisheries sector to overall poverty reduction. Currently, it is believed that large potential resource rents are lost in fisheries because of economic and biological overfishing. Capturing these rents could probably significantly add to overall economic growth in a number of developing countries but little hard data is readily available in support of this statement. While in many instances small-scale fisheries contribute to overfishing of coastal fishery resources, it is usually the down-sizing and better management of heavily over-capitalized industrial fisheries that would offer very large economic gains to developing countries' economies.

The reduction of excessively large industrial fleet sizes might not only free-up scarce capital resources and save operating costs but also lessen the competition and conflict over inshore fishery resources with small-scale fishers. Currently, few countries appear to have an explicit policy framework on the respective roles and future development of industrial and small-scale fisheries (and recreational fisheries for that matter). This appears to be in contrast to agriculture where both developed and developing countries have often explicitly policies to, for example, protect small holder farming or encourage industrial-sized farming for certain cash crops.

Inshore, and with motorization increasingly more offshore, fishery resources are the primary productive assets of small-scale fishers but they continue to have little or no secure rights over these assets. While the topic of use or property rights to fishery resources has received already considerable attention by researchers, little is known on their influence on poverty. The need to compete with industrial fisheries might have encouraged investments and adoption of more powerful fishing technologies in small-scale fisheries beyond that which would have occurred had there been exclusive rights? Technological change and investments driven by absent or inadequate use or property rights might have been an important cause for greater economic stratification, inequality and perhaps poverty in coastal fishing communities.

Assistance in building up the assets of artisanal fishers and returns on them is surely important for alleviating poverty in fisheries but are some kinds of assets more critical for poverty alleviation than others? The World Development Report (2000, p. 34) refers to several asset categories including human assets (i.e. capacity for basic labour, skills, and good health), natural assets (e.g. land and fishery resources), physical assets (e.g. infrastructure), financial assets (e.g. savings and access to credit)

and social assets (e.g. network of social contacts, reciprocal obligations and political influence over resources).²

Several developing countries have instituted special programmes of assistance to coastal and inland fishing communities that encompass subsidies for fishing implements, soft loans, and various social welfare measures ranging from improved health services to better educational facilities and the provision of drinking water. How have these programmes fared in terms of reducing the extent of poverty in these communities? There is some reason to believe that subsidies for fishing implements might worsen rather than alleviate poverty as it could concentrate fishing power in fewer hands as well as result in overall excessive fishing capacity and effort. On the other hand, support to human capital development might be unequivocally beneficial in reducing poverty in fishing communities because it enhances mobility into other occupations.

Some fisheries development programmes such as the Bay of Bengal Programme and ALCOM have given special attention on gender issues. It might be worthwhile to undertake ex-post evaluations on the impact these and other programmes targeting women in fisheries have had on alleviating poverty.

In a number of developing countries, small-scale fishers and fishworkers have become better organized through the formation of unions and associations during the last two to three decades. The emergence and strengthening of several of these organizations have benefited from the activities of the International Collective in Support of Fishworkers (ICSF) that was created following the first global meeting of representatives of fishermen's organizations and their supporters in Rome in 1984. While there is considerable evidence that these organizations were instrumental in defending the interests of their members (for example regarding the extent of foreign fishing activities in the EEZs of their countries), little is known on whether the specific interests of the poor in fishing communities are well taken care of by these organizations and whether the poor have a voice in decision-making within these organizations. While anecdotal evidence suggests that leadership and dominant interests in many of these organizations are those of the most prosperous and wealthy small-scale fishers, this may not necessarily have been to the disadvantage of poor fishers and their families.

It is generally acknowledged that fishers and fishing communities are highly vulnerable to accidents, natural disasters and other shocks. Little is known, however, about the extent to which poverty in fisheries is a consequence of inadequate protection against such shocks and of deficient mechanisms to cope with them once they occur. Such knowledge would be important in deciding on the most effective actions and programmes to reduce vulnerability and improve coping mechanisms.

Some have argued that open access (or quasi open access) to inshore and inland fisheries is desirable because it serves as an insurance and/or safety mechanism against shocks for poor people who have lost permanently or temporarily their means of survival in other economic sectors (or regions). Is there indeed evidence in support

² The various sustainable livelihoods approaches use the same or similar asset categories.

of this argument? Are the people who enter (and invest in) fisheries generally among the poor and have they moved as a result of various kinds of shocks? And are fishers who have acquired exclusive fishing rights less likely to provide temporary support to displaced or destitute people than those who operate in largely open access fisheries?

Conclusion

Combating poverty is high on the agenda of governments and the international community as is evident from the statements and declarations made at various recent international meetings. Currently, among FAO's regular and field programme activities only the UK-funded Sustainable Livelihoods Programme has a focus and thrust on poverty alleviation in fishing communities.³ Many other FI activities are explicitly or implicitly addressing poverty by seeking to improve fisheries management in coastal and inland fisheries, develop rural and coastal aquaculture, improve safety at sea in small-scale fisheries, and others. The extent to which these activities contribute to poverty reduction is not well known and a more direct targeting of poor people may be warranted.

There is some anecdotal evidence that fishing communities have above average poverty rates but there are few hard data and analyses on the nature and extent of poverty in these communities, on the relative importance of different causes of poverty and on the most effective actions to alleviate poverty. There is also little known on the extent to which small-scale fisheries contribute to food security of poor people and poor regions within countries.

Advice Sought from the Committee

The Committee is invited to offer its advice on the following:

- the research efforts that might be desirable to better understand the causes and extent of poverty in fisheries;
- the specific research issues that should be addressed on a priority basis;
- the research methodology(ies) and desirable organizational arrangements (e.g. targeted research programme(s) in co-operation with academia and fisheries research institutes; integration of research into ongoing and future assistance programmes, etc.);
- whether FI should direct COFI's attention to this subject and seek its views on it during one of its forthcoming sessions.

Annex

Excerpt from 'Livelihoods approaches compared - A brief comparison of the livelihoods approaches of the UK Department for International Development

³ This is evident from DIFID's Sustainable Livelihoods Approach that is being applied in this programme. A brief description of the SLA is provided in the Annex.

(DFID), CARE, Oxfam and the United Nations Development Programme (UNDP)' by Diana Carney with Michael Drinkwater & Tamara Rusinow (CARE) Koos Neefjes (Oxfam) Samir Wanmali & Naresh Singh (UNDP). Draft. February 2000.

DFID's sustainable livelihoods approach

DFID's adoption of sustainable livelihoods approaches stems directly from its 1997 *White Paper on International Development*. In this publication it was affirmed that DFID's aim is the elimination of poverty in poorer countries.⁴ One of three specific objectives, designed to achieve this aim, is a commitment to 'policies and actions which promote sustainable livelihoods'. Sustainable Livelihoods is thus, for DFID, an approach to achieving poverty elimination, rather than a goal in its own right.

Surv. livelihoods as a means of pro-eratic...

DFID has been gradually expanding upon and adopting sustainable livelihoods approaches over the past two years. The initial initiative came from the rural side of the organisation with efforts to extend to urban livelihoods and to mainstream the approach within the organisation as a whole gathering strength during 1999. Currently, DFID is in a process of extending discussion of SL ideas and assessing how they fit with other existing procedures (e.g. country programming systems) and approaches (sector wide approaches, rights based approaches). It has also established a Sustainable Livelihoods Support Office to co-ordinate its learning process as well as several teams tasked with investigation of particular difficult issues (such as monitoring and evaluation, understanding policies and institutions in the SL context, etc.).

Core emphasis and definitions

Like all the other agencies, DFID adopts a version of the Chambers and Conway definition of a livelihood: A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.

DFID stresses that there are many ways of applying livelihoods approaches (there is not one single approach) but that there are six underlying principles to all these approaches:

Poverty-focused development activity should be:

- **People-centred:** sustainable poverty elimination will be achieved only if external support focuses on what matters to people, understands the differences between groups of people and works with them in a way that is congruent with their current livelihood strategies, social environment and ability to adapt.
- **Responsive and participatory:** poor people themselves must be key actors in identifying and addressing livelihood priorities. Outsiders need processes that enable them to listen and respond to the poor.

⁴ The *White Paper* was prepared at a time when donors were coming increasingly under fire for their mixed objectives and their limited achievements in reducing world poverty.

- **Multi-level:** poverty elimination is an enormous challenge that will only be overcome by working at multiple levels, ensuring that micro level activity informs the development of policy and an effective enabling environment, and that macro level structures and processes support people to build upon their own strengths.
- **Conducted in partnership:** with both the public and the private sector.
- **Sustainable:** there are four key dimensions to sustainability – economic, institutional, social and environmental sustainability. All are important – a balance must be found between them.
- **Dynamic:** external support must recognise the dynamic nature of livelihood strategies, respond flexibly to changes in people’s situation, and develop longer-term commitments.

It should also be informed by an underlying commitment to poverty elimination which is the thread running through all DFID’s work.

DFID stresses the importance to livelihoods of capital assets and distinguishes five categories of such assets: natural, social, physical, human and financial.

It also stresses the need to maintain an ‘outcome focus’, thinking about how development activity impacts upon people’s livelihoods, not only about immediate project outputs. This is one of the most significant changes associated with the SL approach. It means that projects will be planned and evaluated according to the contribution they make to achieving beneficial livelihood outcomes for its target beneficiaries. These desired outcomes can only be fully known if there has been a participatory dialogue with project beneficiaries or their representatives. It is not sufficient to assume that we know what it is that people want to achieve in their lives (there is a strong link here with participatory poverty assessments).

If a project produces a given set of outputs (for example, if it is responsible for developing certain new technologies) but these make no contribution to livelihood outcomes (e.g. if the uptake of the technologies is very limited) then it will not be judged a success, regardless of the apparent or intrinsic value of the outputs. The outcome focus also encourages different projects or sectors to work together to shared goals (beneficial outcomes), rather than each defining its own area of activity and failing to look beyond this. This, in turn, can provide the basis for non-sectoral entry points. For example, the entry point may be to reduce people’s vulnerability to shocks. This may ‘translate’ into activities that span the sectors such as financial services activities, group empowerment activities, the development of new risk reducing technologies, preventative healthcare, etc.

Types of activity

DFID is operationalising livelihoods approaches in many different contexts. Broadly speaking it aims to promote sustainable livelihoods through:

- direct support to assets (providing poor people with better access to the assets that act as a foundation for their livelihoods); and
- support to the more effective functioning of the structures and processes (policies, public and private sector organisations, markets, social relations, etc.) that influence not only access to assets but also which livelihood strategies are open to poor people.

The idea that link these two ideas is one of empowerment. Generally speaking, if people have better access to assets they will have more ability to influence structures and processes so that these become more responsive to their needs.

At a higher organisational level DFID has identified three types of activity that can contribute to poverty elimination:

- **Enabling actions** are those which support the policies and context for poverty reduction and elimination.
- **Inclusive actions** are broad-based and improve opportunities and services generally. They also address issues of equity and barriers to participation of poor people.
- **Focussed actions** are targeted directly at the needs of poor people.

SL approaches can contribute in all these areas. Work at the level of ‘transforming structures and processes’⁵ clearly links to enabling actions. Support to the accumulation of different types of assets might be either inclusive (e.g. education programmes) or focussed (e.g. supporting micro finance organisations for poor women).

Operationalising the approach

DFID has begun to make use of livelihoods approaches in project and programme planning and in monitoring and review of existing activities. To a lesser extent it has used the approaches in policy dialogue.

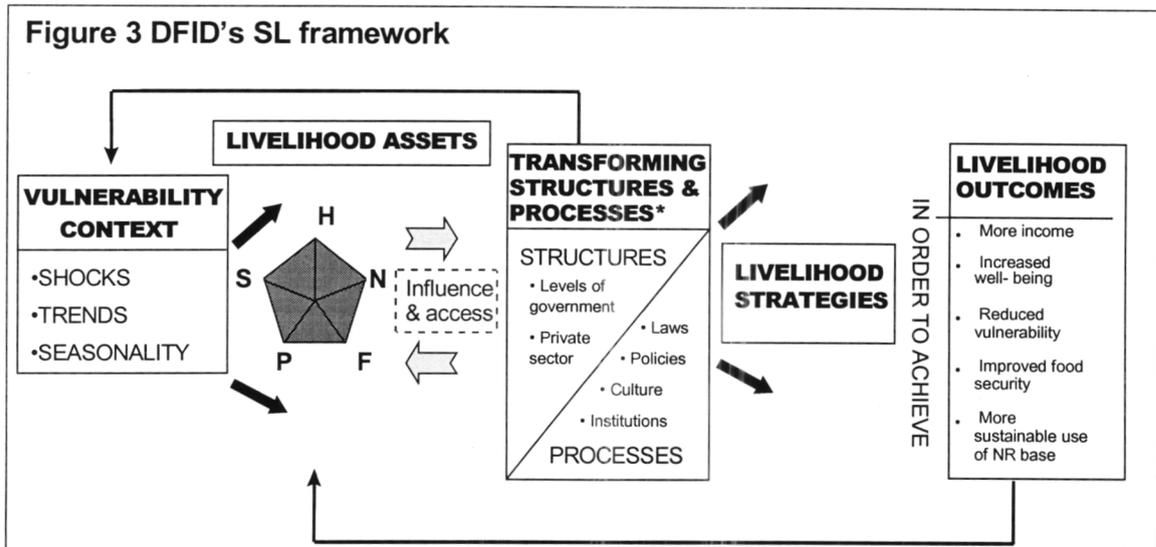
A first step is to understand livelihoods (to conduct livelihoods analysis) as a basis for planning, prioritisation and eventual monitoring. There is no designated sequence for livelihoods analysis, nor has DFID yet developed particular tools for such analysis. The stress is on utilising and building on the best of existing tools for the circumstances in hand (this would include: social analysis, gender analysis, stakeholder analysis, macro-economic analysis, institutional appraisal, environmental checklists, strategic environmental assessment, strategic conflict assessment, governance analysis, market analysis, participatory methods and more).⁶ There is, however a distinct DFID SL framework (Figure 3) that provides an organising structure for analysis.

Through use of the framework and a variety of tools, SL analysis asks a broad range of questions about poverty and its causes. It is not bounded by sectors or existing notions of what is important. The analysis is initially broad and relatively shallow, covering most or all aspects of the SL framework and employing various

⁵ What was previously referred to in the DFID SL framework and literature as ‘transforming structures and processes’ is now known as ‘policy, institutions and processes’. The change was made to emphasise core issues and increase understanding of this aspect of the SL framework.

⁶ DFID is currently working on developing an inventory of tools for use within SL approaches. Some adaptation of existing tools may be required. DFID is stressing the need for reflection and learning as it adopts the new approaches. This is a core purpose of its Sustainable Livelihoods Support Office and the web-based Learning Platform that it has established.

perspectives. As the main dimensions of livelihoods are uncovered and the meaning and causes of poverty become better understood, the analysis becomes iteratively narrower and deeper. Participation is critical throughout, though external experts do also have a role to play.



* 'Transforming Structures and Processes' are now known as 'Policy, Institutions and Processes'. It is the name alone, rather than what is 'included' in this area that has changed.

Where:

H represents **human capital**: the skills, knowledge, ability to labour and good health important to the ability to pursue different livelihood strategies;

P represents **physical capital**: the basic infrastructure (transport, shelter, water, energy and communications) and the production equipment and means that enable people to pursue livelihoods;

S represents **social capital**: the social resources (networks, membership of groups, relationships of trust, access to wider institutions of society) upon which people draw in pursuit of livelihoods;

F represents **financial capital**: the financial resources which are available to people (whether savings, supplies of credit or regular remittances or pensions) and which provide them with different livelihood options; and

N represents **natural capital**: the natural resource stocks from which resource flows useful for livelihoods are derived (e.g. land, water, wildlife, biodiversity, environmental resources).

DFID stresses the need for livelihoods approaches to be underpinned by a pro-poor bias and to be informed by prior social analysis to ensure that vulnerable households and groups are not neglected.

