

## Shrimp farms or shrimps harm?

**Myths abound about how the farmed shrimp industry can alleviate rural poverty, as the case of Thailand shows**

**D**uring the last two decades, shrimp aquaculture has become an increasingly important alternative to ocean-caught shrimp. By the late 1990s, roughly a quarter of the world's 2.5 million tonnes of shrimp came from farms, up from just one-twentieth in the early 1980s.

Globally, the farmed shrimp industry, which represents a substantial component of the increasingly important aquaculture, has often borne the brunt of criticisms especially about environmental damage. In fact, whether from the North or the South, concerned NGOs have often, quite rightly, campaigned against the industry's negative impacts upon mangrove systems, its salinization of waterways and its transformation of coastal ecologies.

Shrimp farming in countries such as India, Indonesia, Thailand and Ecuador has developed because of the relative cheapness of coastal land, the poor regulatory frameworks governing land use and title, the eagerness of local and foreign elites to profit, and the seemingly insatiable desire for shrimp among consumers in countries like Japan, the US and the European Union .

Yet, what has been remarkably absent from much of the analysis of the shrimp industry is an assessment of the labour conditions in the industry. The boosters of shrimp farming, be they government agencies, multilateral banks or transnational corporations, wax lyrical about the benefits which accrue to shrimp farmers in the developing world.

However, shrimp farm owners only constitute a small proportion of the total numbers of participants in the sector. Besides the industry's environmental

impact, one must ask whether people have benefited from the increased opportunities for employment shrimp farming has created in rural areas?

A case study of Thailand might answer this question, apart from providing some background to the circumstances of the industry's development. Thailand became the world's leading exporter of farmed shrimp in the mid-1990s. It is also the home of the developing world's leading transnational agribusiness company, Charoen Pokphand , otherwise known as the CP Group.

Thailand's shrimp industry grew through the co-ordinated efforts of the World Bank, the Asian Development Bank, the CP Group and Thai government agencies, all of whom helped construct an institutional and infrastructural framework to facilitate rapid expansion, minimal regulation and maximum profits. Tax incentives, tariff-free technology imports, income tax-free holidays, and export credits formed part of the generous packages offered to Thai and foreign companies setting up operations in Thailand's rural areas.

Within a short time, factories were springing up in coastal rural areas to process the shrimp produced on surrounding farms. Each factory employed upwards of 2,000 workers.

### **More jobs**

Farms also became sites of employment, and in the 10 years between 1985 and 1995, the occurrence of wage labour rose from 14 per cent to 33 per cent in all the farms. By the end of the 1990s, farmed shrimp generated over US\$1 billion in exports, although this was down from a peak of US\$2 billion in 1995. This made shrimp one of the most valuable of Thailand's exports

and an industry central to the economy. One might think that with its high value, this would transfer into better conditions for those working in the industry, but one would be wrong.

**W**orkers who are employed on farms are often locals whose previous occupations are no longer viable. For example, on the eastern coasts of southern Thailand, many shrimp farm workers were previously small-scale fisherfolk, who obtained most of their catch within the 3-km coastal zone. Shrimp farms, however, have caused significant pollution through the silting of tidal zones and the increased presence of organic matter. The net effect has been to reduce coastal fisheries and thus damage the possibilities for local fisherfolk, generally meaning they must seek alternative sources of income.

But making the move to working on a shrimp farm is not necessarily an advancement. Firstly, most shrimp is grown over a 4-month period, with a one- or two-month break in between each crop, during which there is no employment. Secondly, continuous wages during the crop depend on successful harvests, and with the very high rates of crop loss in the industry, there are no guarantees of income. Thirdly, the rates of bankruptcy at the farm level are very high, and there is often little security of employment, with workers often changing farms every year.

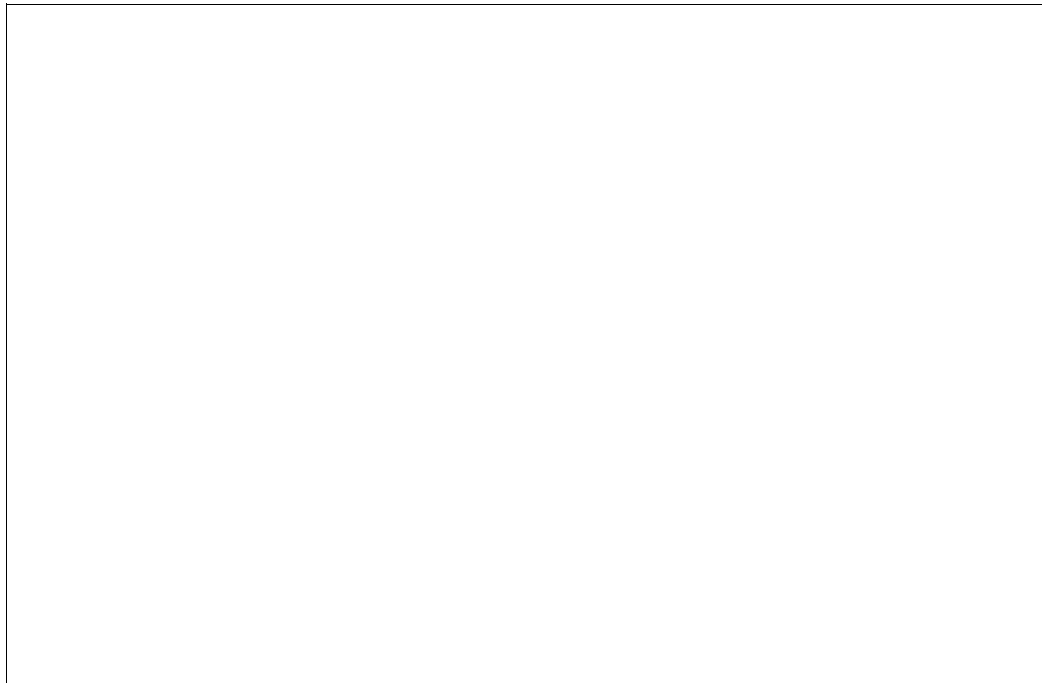
More importantly, even if all the right conditions are met and there is a good harvest, farm workers, if their incomes were to be spread out over a single year, would not even receive Thailand's legal minimum wage (about US\$4 a day).

However, the main source of employment generated by the shrimp industry is in the large processing factories. However, rather than 'liberating' people through wage labour, these factories can actually reinforce existing inequalities, as well as create new ones.

The factories are industrial plants whose workforce is entirely female. The work conditions involve standing all day, with workers having to seek permission to go to the toilet. Management of the factories is quite clear on the reasons behind the all-female labour force: they are cheaper than male workers. While workers generally receive the minimum wages, they must pay for their own transport to the factories. There are no unions, overtime is compulsory, all hiring is casual and there are no employment guarantees.

**New opportunities**

Those supporting the industry have argued that by employing women, the factories are, in fact, giving women an income they once never had, and are allowing them to pursue new opportunities. Yet this is only one side of



the story. Surveys done at the factories have found that around two-thirds of the women are married, with children. The immediate consequences of their employment is not greater freedom but actually a reinforcement of the gendered division of labour which, under these arrangements, expects women to perform child-rearing duties and provide additional family income.

**N**one of this takes into account the undocumented workers whose position within the farmed shrimp industry is even worse. In southern Thailand, there are factories where Burmese workers are housed in locked-in conditions (that is, they can not leave the factory premises), where average wages are half the legal minimum and where strike activity has been met with violence and harassment.

Clearly, the picture of employment in the farmed shrimp industry in Thailand is not one of simple improvement in people's livelihoods. There are complex and contradictory issues at play. Yet, it is obvious that new forms of exploitation have emerged. In an industry where significant export revenues and profits have accrued to transnational companies, such as Charoen Pokphand and Mitsubishi, and to local elites, it is time that increasing attention was drawn to the means by which such wealth can be redistributed more equitably. While the environmental impact of shrimp farming will continue to garner campaigns and protests, the conditions and future of the shrimp industry's workers should now be of equal concern to interested parties. ♣

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