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SOMETHING FISHY:
THE STATE, CAPITAL AND THE ELIMINATION OF SMALL BOAT FISHERS
FROM THE BAY OF FUNDY HERRING FISHERY

by

PAUL SHREENAN, B.A.

A thesis submitted to
the Faculty of Graduate Studies and Research
in partial fulfilment of
the requirements for the degree of

Master of Arts

Department of Sociology and Anthropology

Carleton University

Ottawa, Ontario

August, 1990

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The undersigned recommend to the Faculty of Graduate Studies
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Thesis Supervisor

Chair, Department of Sociology and
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Carleton University
September 5, 1990

ABSTRACT

In 1989 small boat herring fishers in Southwest Nova Scotia ended their participation in the herring fishery. During the previous decade the conditions under which they operated in the fishery went from favourable to the point where they could no longer earn enough to pay the costs involved in the fishery. This thesis provides an explanation and discussion of a variety of factors which led to the elimination of these fishers from the herring fishery. Also important are the consequences of their exclusion and the possible implications that similar events may hold for Canadian small boat fishers in general. The thesis addresses two main theoretical arguments: (1) that capitalist exploitation can occur without the formal subordination of labour in the traditional Marxist sense. An alternative to the classical definition of the term is employed which suggests that formal subordination can occur through the commodification of labour only and thus not absolutely requiring dispossession from the means of production; and (2) that the state in capitalist society has a definite stake in the continuation of the present system of production and that this makes it unsuited for a role as a mediator of conflicting class interests. Each of these issues is developed at the substantive level using as a case study the herring fishery in the Bay of Fundy Region of Nova Scotia.

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Chapter I
Staples, the State and Capitalism

Introduction

In 1989 small boat herring fishers in Southwest Nova Scotia ended their participation in the herring fishery. During the previous decade conditions under which they operated in the fishery went from favourable to the point where they could no longer earn enough to pay the costs involved in the fishery. This thesis provides an explanation and discussion of a variety of factors which led to the elimination of these fishers from the fishery. Also important are the consequences of their exclusion and the possible implications that similar events may hold for Canadian small boat fishers in general.

Canadian society has been significantly shaped by staples production. The disproportionate level of this kind of industry is important to any analysis of Canadian society because the transformations brought about by capitalist development in these industries affect literally hundreds of resource communities in all regions of the country (Clement, 1989:36).

Historically, the east coast fishery of North America was the continent's original staple producing sector. As the continent became successively penetrated by both French and English explorers, colonizers, and settlers, the fishery, and the Atlantic region as a whole, rose and later declined in terms of its importance to the emerging

Canadian economy (see Brym and Sacouman, 1979; Innis, 1954). Today, the Atlantic region persists as a resource hinterland integrated into the national and world capitalist economies. Transformations in the fishery remain extremely important because, as in other staple industries, they affect a large part of the rural population. The importance of the fishing industry in Atlantic Canada is exemplified by a variety of statistics such as those showing that more than one quarter of the region's 2.1 million people live in fishing communities with populations of less than 10,000 persons. Half of these communities have basically single-sector economies (Davis and Barrett, 1984:126).

The importance of the fisheries to these hundreds of coastal communities can not be over emphasized. They developed primarily around the fisheries and depend on it for continued existence --the small boat fisher is fundamental to these communities. As new technologies developed (i.e., freezing, the purse seine, large scale trawlers and draggers), small boat fishers have tended to lose access to traditional markets and to the resource even though the quality of the fish that they deliver is generally high. This has definite implications for their long-term position within the industry and raises important questions such as: What is the nature of the transformations affecting small boat fishers and how do they respond to them? Have the fishers been relegated to providing raw

material only for specialized markets (i.e., fresh fish, lobster)? Is this likely to be their last refuge in the fishery? What is the nature of state involvement? And how do state policies differentially affect different groups of fishers?

The Research Question

At the most general level the aim of the thesis is twofold: (1) to examine some specific tendencies and characteristics of social and technological transformations in the fisheries of advanced capitalist societies. These include the many substantive issues affecting social change in the fisheries; and (2) to outline the changing context of sociological theories of class and simple commodity production and evaluate how adequately sociological theories explain the process of transformation, including most specifically proletarianization, vis a vis the producers under study in the thesis. Finally, it is hoped that the thesis will provide a critical analysis of politics and the labour process with a view toward developing a radically different approach to social and economic development in the Atlantic fisheries.

Against this backdrop I examine in detail transformations that have been occurring in the Bay of Fundy herring fishery from the 1970s until the summer of 1989. A

past study of the herring fishery has divided it into four historical, economic stages: (1) native fishery by the Mic Mac Indians before colonization, (2) Acadian subsistence period, (3) mercantile period dominated by English speaking settlers mainly from New England up to between 1870 and 1890, (4) processing plant development, after 1890 continuing to the present ' (Kearney, 1983:46). Important in this thesis are two groups of fishers who use vastly different fishing technologies (gear-types):purse seines and gillnets. Intermediate-scale purse seine vessels are operated under the direction of small scale capitalist owners who in turn operate in close relations with the large scale capitalist, domestic processors. Small boat gillnet fishers operate out of the domestic unit of production. The sub-region of Southwestern Nova Scotia has been a prime area for both of these fishing activities. A large number of these fishers live in fishing villages between the towns of Yarmouth and Pubnico in the sub-region's central county of Yarmouth. My analysis is derived from a sample of these fishers during the summer of 1989 between the towns of Yarmouth and Pubnico, Nova Scotia inclusive.

' It is interesting to note that Kearney's final historical economic stage noted here coincides with the advent of the current period of monopoly capitalism ; (see Baran and Sweezy, 1969; Lenin;1934). For example, "The growth of monopolies may be dated from about 1870 and has been proceeding, though at an uneven pace ever since" (Baran and Sweezy, 1969:255).

In the early 1980s gillnet fishers faced restricted markets and low prices. They determined that unionization would strengthen their position within the industry and joined the Maritime Fishermen's Union (MFU) which promptly captured a quota for them of the (at that time lucrative) government administered program of over-the-side sales to foreign vessels. Since that time, however, over-the-side sales prices have dropped dramatically. This decrease, in combination with very limited (if any) sales to domestic processors and imbalanced state policies, have served to force the vast majority of gillnet fishers out of the herring fishery, while leaving the very few who remained, at best, marginalized. The thesis examines in detail how the marginalization of gillnetters took place. This will include discussion of the various roles played by the state, domestic processors, and competing groups of fishers.

Theoretical Considerations and the Class Analysis of Fisheries

The theoretical perspective which I use is influenced by a critical or Marxist tradition. This perspective takes as its point of departure the recognition that societies based on the capitalist mode of production are class societies. As such, unavoidable conflicts arise between the

classes eschewing from the fact that the classes have fundamentally opposing interests grounded in their opposing relationships to each other vis a vis the means of production. Such an analysis treats the concept of class as fundamental since it is understood to condition all other social relations.

Class analysis of simple commodity producers has posed complex problems for Marxist theory (Sinclair, 1985: 14-30). It requires an explanation of the proletarianization process which may be described as the process which transforms independent producers progressively toward the status of worker -- labour employed (either directly or indirectly) by capital.

Marxist analyses of the Canadian fisheries have sought to contribute to the broader theory concerning simple commodity producers and critique the dominant liberal perspective on a variety of grounds (Davis, 1984b; Barrett and Davis, 1984). The most important theoretical and substantive weakness has been the lack of any class critique. Instead liberal scholars have tended to gloss over, if not ignore, the relations of production. For Marxists these relations are fundamental to understanding social relations and, as a result, are of critical importance. Liberal scholars have, nevertheless, contributed important documentary material to the study of the fishery

(Innis, 1954; Fulton Grant, 1934). Economists have for a significant period been the predominant force in fisheries analysis; their liberal theories and positivistic approach have often found favour with Canadian state officials, if not with fishers (i.e., Gordon, 1954; Copes, 1972). More recently, the fishery has been subject to sociological and anthropological analyses which have often not sought state approval as much as they have been a two-fold attempt to: (1) clarify the actual social relations and processes extant in the fishery and; (2) empower fishers, their organizations, and others to struggle for change (Brym and Sacouman, 1979; Clement, 1988, 1986; Sinclair, 1988, 1987).

There are a variety of important theoretical issues involved in any discussion of proletarianization. All, however, are underpinned by the basic Marxian concept of class. Class analysis enables us to examine the fabric of power relations and to study their effect in the political, economic and social spheres. Herring fishers are of concern here because, as simple commodity producers, they are illustrative of the dynamic tension that exists between apparently non-capitalist production out of the domestic unit and that of capitalist production. The dominant tendency in the industrial era has been for capitalist relations of production to revolutionize past forms to such a degree that previous relations cease to operate. For example, what had formerly been done in the artisan's shop

was transformed into factory work. However this has not been the case in many areas of simple commodity production --most notably fishing and farming. Indeed each has been transformed to some extent, but by no means does this transformation appear complete. Herring fishers range from owners of small inshore boats to intermediate-scale herring seiners to others who work as labourers with no access to their own boats or equipment. In the present context two of the most important concepts remain those raised originally by Marx -- formal and real subsumption of labour by capital. The use of these concepts help to clarify ownership and control issues and the relations of production; their use, however, as we will see, is still in debate.

The main problem arising from the definition of these concepts is that many fishers simply have not been completely dispossessed from the means of production. If this is the case, can they truly be exploited under the present system of capitalist production in the fishing industry? Or are they tangential to capitalist production? The evidence seems to be mounting that many indeed have been subsumed by capital albeit in a distorted way. By being marginalized and/or excluded from the herring fishery they may have taken another step in the direction of becoming wage labourers.

I will argue that the penetration of capitalism (to the degree that it has occurred) in the herring fishery has

taken a form that may be viewed as both opportunistic (Mann and Dickinson, 1978) and flawed by inherent contradictions. It is opportunistic in the sense that capitalism's (polymorphous and perverse) nature has reduced for itself some of the risks involved in the fishing industry; avoided some of the post-investment costs of primary production (upkeep and reproduction of inshore production\labour); and the need to supervise labour (Mann and Dickinson, 1978; Clement, 1983:233; Guppy, 1986:69). It is flawed in the sense that by not dispossessing all primary producers capital runs risks similar to those that occur as a result of incomplete subsumption of labour. This leaves open the possibility of more effective cooperative political action on the part of fishers.

It is important to attempt to clarify the class positions of relevant fishers and their organizations because, "Classes are not merely analytical abstractions in Marxist Theory; they are real social forces and they have real consequences" (Wright; 1979:30). Some fishers exist as pure workers -- proletarian; others operate as independent commodity producers owning their small boats alone or with a partner/helper (often in father/son combination); still others like the seiner captains function as small capitalists owning intermediate-scale vessels and employing a proletarian crew. If these class differences are not clarified any analysis will be lacking an extremely

important set of factors which would result in an incomplete and probably faulty analysis.

METHODOLOGY

The empirical data that I have collected for the thesis comes from a variety of sources. These include existing social scientific research, government documents, newspapers, briefs and policy statements published by a variety of organizations with an interest in the fishery. Finally, interviews and personal accounts from individuals both directly and indirectly affected by the fishery.

While the printed material that I have collected has proven invaluable for grounding myself in the basics of the fishery and for developing my analysis, I decided early in my thinking about the thesis that conducting some field research would be a matter of necessity. As Glazer and Strauss have pointed out,

[t]he field worker who has observed closely in this social world has had, in a profound sense, to live there. He has been sufficiently immersed in this world to know it, and at the same time has retained enough detachment to think theoretically about what he has seen and lived through (Glazer and Strauss, 1967:226).

Field research in Southwest Nova Scotia enabled me to collect the latest information on transformations in the

fishery from the perspective of the fishers, processors and state officials. To this end I made an initial exploratory visit to Yarmouth in March 1989 to sample some of the local library holdings, arrange for accommodations during my field work, and make some initial contacts. The trip was also useful in order to establish a preliminary list of individuals and groups that I could interview. Interview data was collected between 18 June and 11 July of 1989 in a section of Southwest Nova Scotia between (and including) the towns of Yarmouth and Pubnico -- this is an area where many of the herring seiners and gillnetters live.²

As part of my field research I conducted interviews with as broad a range of involved individuals and groups as was possible. The individuals that I interviewed were the gillnet fishers, crew on seiners, leaders and members of the Maritime Fishermen's Union, various seiner co-op employees and members and Department of Fisheries and Oceans officials. Although I had some contacts in Yarmouth I nevertheless relied on a method of "snowball sampling" for

² Southwest Nova Scotia is a sub-region within the larger Atlantic region. As such it bears the scars of its own historical development which has been shaped by its peculiar combination of political, cultural/ideological, and class relations. See Brym and Sacouman (1979) for a collection of essays which point out some of the sub-regional differences that exist within the Atlantic provinces.

the majority of my interviews.³ The interviews were not conducted for the purposes of obtaining a statistical sample from the people involved in the industry; this would have required far greater economic resources than were available to me. Instead the purpose of gathering interview data was to gain access to a variety of accounts and explanations concerning recent, and not so recent, events of importance in the fishery. The interviews enabled me to raise questions concerning, if not unravel, the complex coalescence of cultural/ideological, political and class dimensions involved in the local herring fishing community.

I drew up an interview guide which noted demographic characteristics of interviewees while including several open-ended questions which helped me to get at the causes and effects of the recent developments in the fishery. The interview questions in fact needed to be changed before each interview because for the variety of people with whom I spoke many questions relevant to one person were not relevant to others. I tape recorded most interviews (with permission) and took some, at times unavoidably scattered, notes to record the tone of my conversations, the

³ Snowball sampling is a method through which the researcher develops an ever-increasing set of sample observations by asking each participant in the study to recommend other people who could be interviewed and each subsequently interviewed person is asked for further recommendations (Babbie, 1983:252).

circumstances under which they took place, and any other relevant observations.

My methodology is one that recognizes that there exist two spheres of relations relevant to the analysis of social formations; these involve factors affecting both production and reproduction relations; these necessarily entail the work of women. I would agree with Seccombe (1980) that any analysis which only views one of these spheres is liable to be, if not faulty, lacking in a broader understanding that should be gained from such analyses. However because of limitations in terms of my own economic resources during the fieldwork I have been forced to leave a detailed analysis of the productive and reproductive work of women to a later project.

Prior to my initial visit to the field I had many preconceived notions about what the important questions were or would be. However, I soon learned that the herring fishery had gone through some rather dramatic, recent changes. My theoretical orientation had not changed, nor had my interest in the class struggle of fishers, but I realized that the substantive issues that the fishers were dealing with were, at times, quite different than I had imagined. Consequently my research questions were also changed somewhat. The new information that I had gathered caused me to re-evaluate my research question and, in fact, helped immensely in its more focused reformulation.

The previous sociological and anthropological research on herring fishers in particular is not large; however, there exists a large body of work in simple commodity production (especially agriculture) and in other fisheries. At times these were quite useful and at times they were not. In 1983 John Kearney produced the only detailed social and economic work on this fishery. His work has proven invaluable because of its detail and its breadth, but was limited in terms of the questions it asked by the liberal perspective which he adopted (a perspective which he seemed to reconsider near the end of the thesis). In 1986, with the publication of The Struggle to Organize, Wallace Clement offered a much needed analysis which provided a basis for further critical work in this area; consequently these sources are cited often in my own work.

In the concluding section of his study of the herring fishery John Kearney clearly outlined an apparent shift in state policy. He commented that, "in effect, the [Kirby] Task Force is asserting the priority of capital over labour" (Kearney, 1983:395). Furthermore,

As the purse seine fleet is reduced, for example, will crew members simply lose their jobs or will they be offered compensation and/or alternative employment? Will the independence of purse seine fishers be promoted or shall the requirements of capital demand their increasing dependence on the processing sector? Will the great numbers of gillnetters have any substantial share in the future benefits of resource utilization? At the present time the future of independent, small capital, labour intensive enterprises in the herring fishery does not appear optimistic (Kearney, 1983:396).

The preceding comment, and the several questions that he posed invited a detailed, micro-level class critique of the fishery and of his own analysis. It is to this task that I have set the ensuing work.

Before developing my class analysis of the herring fishery in the late 1980s it will be useful to provide an outline of the thesis. Chapter II contains a discussion of how particular sociological theories may be applied to the fishery. Chapter III offers a historical analysis of the area within Nova Scotia where the herring fishery is most prevalent and a discussion of the labour processes undertaken by the fishers involved. Following that Chapters IV and V explain in roughly chronological order the events that led to the marginalization of gillnet fishers; how they resisted marginalization; and how they were eventually eliminated from the fishery altogether. The 1983 Kirby Report serves as a dividing line between Chapters IV and V. Before the Kirby Report is a period where the state began to develop, through various policies, a clear separation of the fishing and processing sectors. However the project under which these policies were implemented was not accorded long-term priority, it soon failed and the fishery went into another period of crisis. The Kirby Commission was soon struck; after it evolved a new set of policies which kept some of the old structures from the previous era, but also

turned in a new, more free market oriented direction which as we will see did not lend itself well to the continued participation of small boat fishers operating out of the domestic unit of production.

Chapter II

Theoretical Issues in the Analysis of Fisheries

Introduction

There is a considerable literature surrounding the issue of whether simple commodity producers will eventually become extinct or continue to exist under capitalism. Those who regard the simple commodity producer as a transitional form of producer, one destined for extinction (Goss et al., 1980; Lenin, 1964; Sinclair, 1984b; De Janvry, 1980), often point to the disappearance of many small farms in North America. Others, however, assert that although there are many simple commodity producers who have disappeared many have remained, even in advanced capitalist societies. (Mann and Dickinson, 1978; Sacouman, 1980; Mottura and Pugliese, 1980). This suggests that there exist ways in which it is functional for capitalism to enable the reproduction of these producers. That is not to say that it is always, and always will be the case, only that under certain historically specific conditions simple commodity production remains viable under capitalism. I will not attempt to fully examine this and the many complex issues raised in this debate. I will, however, discuss a few important theoretical issues regarding the nature of simple commodity production under capitalism.

Important recent work on Canada's fisheries has begun to add to the critical analysis of this body of literature (Davis, 1984; Barrett, 1984; Clement, 1986). "The fishing

industry is one sector within 'uneven capitalist development' that has been particularly 'resistant to the expansion of the capitalist mode of production'"(Guppy, 1986:59). This assertion must however be qualified.

Although there remain large numbers of producers operating out of the domestic unit of production, most fish is now in fact caught by capitalist producers. As Clement (1988:100) points out in reference to large scale production approximately 20 per cent of fishers now account for 80 per cent of the catch.

Several authors have suggested that simple commodity producers (including mainly small boat fishers) may be dispossessed from the value of their production through the market mechanisms (Mollard, 1977; Amin, 1974; Vergopoulos, 1974). This suggests capitalist exploitation without wage labour or full dispossession from the means of production. Davis (1980) and Chevalier (1982) point out that even Marx noted that the development of capitalism might force producers to specialize thereby producing a dependence on the buyer. The capitalist in that case, "buys their labour and takes their property first in the form of the product, and soon after that the instrument as well, or he leaves it to them as sham property in order to reduce his [sic] own production costs." (Marx, 1978:274). Recent work on some of Marx's basic concepts regarding the relations existing around the issue of "sham property" suggest that

Marx might accept their reformulation. Before entering that discussion, however, I will first introduce some essential concepts concerning private property and property relations. Then I will discuss these recent developments in theory concerning the place of simple commodity producers in capitalism.

Property Rights and Relations

Property rights and relations, especially those that exist with respect to productive property, rank among the most fundamental in the western world; they are also intimately connected to class. Concerning most fisheries, including the herring fishery in the Bay of Fundy region of Nova Scotia and New Brunswick, there arise some unique problems of property and class. These have to do with both social and structural characteristics of the industry and the resource. In terms of structure the resource is spatially scattered and has long been considered, though not always correctly, as common property. Social organization within the industry is highly constrained by property relations. Property for production, such as that in the herring fishery always involves social relations that have developed in along with regional histories which are always connected to class factors. For example, the costs involved

in entry and maintenance within the industry serve to limit and channel individuals into specific class based positions. Each of these factors impacts upon the historical course of the fishery and on the lives of those with most at stake: the fishers and their families.

As I intend to show the penetration of capitalism in the herring fishery has taken a form that may be regarded as both opportunistic (Mann and Dickinson, 1978) and flawed by inherent contradictions (Marx). It is opportunistic in the (polymorphous perverse) sense that it has reduced for itself some of the risks involved in the fishing industry -- the boom and bust cycles; avoided some of the post-investment costs of primary production (upkeep of capital and reproduction of labour); as well as the need to supervise labour (Clement, 1986:233). It is flawed in the sense that by not completely dispossessing all primary producers capital runs risks involved in not obtaining the classical Marxist, full subsumption/subordination of labour. This leaves open the possibility of effective action (i.e. another use for their capital) on the part of fishers.

Forms of Property

First and foremost property is a social creation which conveys the idea of an enforceable claim of a person to some

use or benefit of something (Macpherson, 1973:123). Consequently property is a set of rights that determine relationships among people and between people and things (Clement, 1983:211). There are three historical forms of property in fisheries -- private property, state property and common property. Each, in a variety of ways, is relevant to the following discussion. Private productive property (capital) within the herring fishery is wide-ranging and highly stratified in terms of the class positions of those who are likely to own it. Small inshore boats used in gillnetting and even the weir fishery are owned by individual fishers, as are most of the larger seiners in the region. At times, however, ownership is at best formal title, but more on that later. Productive property owned by those involved in the processing and sale of commodities is dominated on the other hand by a few large corporations and several smaller ones. As one researcher pointed out, "The herring processing industry is substantially more concentrated than the Canadian fish products industry" (McLeod, 1981:13). It is in this sphere that class factors are most apparent because the scale of investment required in the processing industry is simply beyond the means of today's simple commodity producers. On the east coast National Sea Products is the largest processor owning approximately fifty trawlers that supply over half of its raw material to its twenty-two plants. Important in the

herring fishery is Connors Brothers, a part of the Weston empire and the major processor of herring caught in the Bay of Fundy (Clement, 1986:51-53).

Private Property and Exploitation in Simple Commodity Production

Under fully subsumed, or classical, capitalist relations of production capital is involved in the expropriation of the means of production which are then used to further appropriate the products of labour (Marx, 1976:1079). This implies the sale of labour-power to capital and presupposes the existence of a labour market which comes into effect upon dispossession of workers from the means of production. In the herring fishery these classical capitalist relations exist only to a limited extent. They predominate in the processing industry (the plants) which are owned by the major processors and among purse seine captains who are small scale capitalists, but do not predominate among the small boat fishers.

When simple commodity production takes place in a market dominated by capitalism it is possible for legal ownership and possession to be kept while real economic control is lost (Clement, 1983:217-18). Legal ownership in this sense is a claim to property which may be passive, that

is, it confers the right to receive benefits, but not necessarily the right to control. In capitalism stocks and bonds are good illustrations of this type of property right. Stockholders are rentiers whose property rights are passive since they offer the right to profits, but not the right to control the means of production. Alternatively active ownership denotes two things. It allows real economic ownership and possession. Poulantzas explains economic ownership as,

'real economic control of the means of production, i.e., the power to assign the means of production to given uses and so to dispose of the products obtained,' while possession is 'the capacity to put the means of production into operation' (Clement, 1983:218).

In the case of simple commodity producers, however, real economic control and possession do not necessarily go together, but legal ownership remains. The fundamental link between property rights and the formal subsumption process is that as formal subsumption takes place in simple commodity production property rights shift from simple commodity producers to capital. Simple commodity producers lose real economic ownership.

Many small boat fishers in the Bay of Fundy herring fishery have retained legal ownership of the means of production; they own boats and equipment (private capital). This has created a problem in modern Marxist literature

because it forces the theorizing of the connection between apparently non-capitalist (or pre-capitalist) modes of production and modern capitalist production and market mechanisms. According to Marx (1976:1022-23) capitalist relations of production (which are partly based on the previously outlined tradition of private property relations) can only come into existence with full domination by the capitalist mode of production over other modes; this requires both the formal and real subsumption of labour by capital. But can fishers truly remain in a pre-capitalist mode of production dominated by capitalism or have they been formally subsumed albeit in a way unique to some simple commodity producers? Recent formulations seem to lend support to the latter theory suggesting a reformulation of the Marxian concept of formal subsumption: simple commodity producers may actually be formally subsumed, but not in a way that coincides with the definition of formal subsumption as applied by traditional Marxists (Chevalier, 1983:173-74).

For traditional Marxists formal subsumption requires two specifically defined processes -- monetization/commoditization of labour and dispossession from the means of production. Monetization demands that capital emerges as the direct purchaser of labour thus presupposing the expropriation of the means of production from workers who are consequently forced into wage labour (Marx, 1976:1022-23). Dispossession in the formal

subsumption process has two distinct dimensions. First, dispossession from the means of production takes place leaving workers with only their labour-power which they then must sell for wages. Second workers are dispossessed from their surplus value. Whereas traditionally Marxists assert that the second requires the first, Chevalier, Clement and others disagree. They suggest that simple commodity producers can be dispossessed from their surplus value by capital (merchant and/or industrial) without necessarily being dispossessed from the means of production. This key point relies on the previous explanation of the issue of property rights: legal versus real and that great economic control can be exercised without legal ownership.

As stated earlier it has generally been thought that simple commodity production had to have remained externally articulated to capitalism since, apparently, producers have not been entirely dispossessed and their labour not commodified (LaClau, 1977; Rey, 1973) or, at the other extreme, that all workers were subsumed by capitalist production since they necessarily take part in broadly defined market exchange relations (Frank, 1978). Excluding Frank and the dependency theorists the dominant conception of the extraction of value as it relates to simple commodity production is that it could only be realized by actual exchange of labour-power for wages. Thus the labour-power of simple commodity producers was excluded from the sphere of

monetized exchange. However there is some reason to believe that Marx could accept a somewhat more flexible application of the monetization process.

To the extent that agriculture, for example, produces commodities for the market, 'so too and to the same degree, it calculates its costs, treats each item as a commodity (regardless of whether it buys it from another or from itself), i.e., from production' (quoted in Chevalier, 1983:161).

The example holds equally for herring fishers. They and other simple commodity producers produce for the market and buy, in a sense, from themselves for purposes of consumption; in addition they must buy inputs to production and consumption. I would agree that these transactions are calculated in terms of their actual money costs (exchange-value). This rationale in fact corresponds somewhat to the liberal microeconomic concept of opportunity cost -- a process that is difficult to avoid in modern market-oriented society. Whether applied to production or consumption decisions simple commodity producers weigh competing costs and benefits in terms of the amount of money required for the exchange then they make choices based on the rational principle of maximization of utilities. With respect to the labour-power of simple commodity producers the same principles apply; labour is considered an input to which is attached a minimum cost or exchange value (Chevalier, 1983:162). In this way the fisher's labour is commodified. This can be applied to small boat fishers operating out of

the domestic unit of production. As I will show it can also be applied to the small capitalist purse seine captains who face a similar relation with processors, but who in turn exploit their crew members' labour.

In reference to the Marxist requisite that formal subsumption through dispossession take place it has recently been shown that formal subsumption may not simply be an "on or off" condition. In some cases formal subsumption may occur without dispossession. In its place where capitalist market relations dominate the labour-power of simple commodity producers they can be exploited if they are subjected to these market relations. "The same is true in respect to the worker's legal ownership of the factors of production other than his labour-power"

(Chevalier, 1983:165). By using quotations directly from Marx, Chevalier argues that wage labour is not the only means through which labour is commodified and that self-employed workers may be dispossessed of their surplus value without losing legal ownership of the means of production (1983:170). This re-interpretation of formal subsumption asserts that simple commodity producers can be fully subsumed by the capital dominated market and as a result must conform to the rationality which that entails. The possibility for this new type of formal subsumption without real dispossession is actually offered by Marx,

The more completely these conditions of labour are mobilized against him as alien property [even though it

is still legally his/her own], the more effectively the formal relationship between capital and wage labour is established, i.e., the more effectively the formal subsumption of labour under capital is accomplished (1976:1026).

At this point Marx was pointing out that capital can subsume the labour-power of simple commodity producers to varying degrees suggesting, as Chevalier has shown, that the formal subsumption process is, again, not simply an "on or off" condition. What these varying degrees are based on have to do with the abilities of capitalism to extract surplus value and of simple commodity producers to resist such extraction.

The State and Class in the Fisheries

Within the two gear-types discussed in the thesis there exist a variety of class positions. Each of these reflects its own ideological/cultural and political dynamics and each attempts to adhere to ideas and practices consistent with its own interests. As Marx succinctly stated, "Life is not determined by consciousness, but consciousness by life" (1976b). In other words the lives of the people of Southwest Nova Scotia are highly determined by the material base. The political and ideological/cultural domains are important because they are often the mechanisms through which class relations are manifest there remains, nevertheless, the need

for Marxian class categories which distinguish between fishers.

Among the more recent Marxist analyses there exists widespread agreement that the role played by the state has grown in its importance. There is also the general view that the state is not a neutral actor. This is in contrast to much of the past research on the fishery which has tended to regard the state as a neutral mediator of selfish interests (i.e., Kirby, 1983; Copes, 1972; Campbell, 1981). Marxist views concerning the role of the state in capitalist societies range widely from the position that the state, at best, acts in its own interests (Sinclair, 1987:61; Skocpol, 1979:27) to, at worst, the view that the state acts only in the interests of the ruling class (Lenin) and against the interests of workers. My own position is similar to that held by Poulantzas who points to the underlying basis of state intervention in the economy. The basic role that the capitalist (in this case liberal democratic) state has taken is that it focuses "on the extended reproduction of the capitalist mode of production; the determinant mode of this reproduction involves the extended reproduction of social classes" (Poulantzas, 1975:83). As such the state can not be a neutral mediator of competing class interests as pluralists would suggest.

Important also in terms of the broader analysis offered in the thesis is an understanding of the cultural context

within which the fishery in question operates. For that reason I have offered a historical materialist analysis of the fishery's material and cultural context; it is the subject of the next chapter.

Chapter III

History and Ideology in Southwest Nova Scotia:
A Materialist Interpretation

Introduction

The objective of this chapter is to develop a historical materialist analysis of the sub-region that is the focus of the study. The analysis will provide the reader with an understanding of often little discussed historical realities inherent to the current structure of the industry in question. Primary among these are the unique historical relations of trade and immigration which have shaped the work, social life, and ultimately the world view of generations of Southwest Nova Scotia citizens. The historical analysis will offer the reader an understanding of the herring fishery leading up to one of the most important periods of crisis in the fishery which culminated in a 1976 restructuring -- a period taken up in more detail in the following chapter.

Southwest Nova Scotia

The purpose of this section is to link historically relevant material forces to Southwest Nova Scotia's sub-regional character. For the purposes of the fishery this sub-region includes the counties of Shelburne, Yarmouth, Digby, Annapolis and Kings. Although not a large geographic

space, Southwest Nova (as it is often called) employs over half of the province's fishers as well as having the greatest number of full-time fishers (Monroe and Stewart, 1981:13). Southwest Nova differs from other parts of Nova Scotia in ways that stem from the previously mentioned natural and social forces that are part of its history. It is located near both rich fishing grounds and large markets. The fishing grounds represent the geographical component of the dichotomy while the actual settlement of the area and the existence of large markets represent the social component. The comparative advantage of the region is therefore tempered by the social component which emphasises both social structure and human agency as determining factors. After all, resources only attract people to be exploited under specific historical conditions. These conditions are always social in the previously mentioned two respects.

The sub-region of Southwest Nova has ultimately developed out of the historical and material conditions which have served to delimit the choices available to the people there. These include reactions to both opportunities and oppressive forces. In the following pages I will outline how these have served to shape this unique present day sub-region.

Sub-regions

The Atlantic region is often viewed from the outside and even inside as homogeneous; suffering from general social and economic underdevelopment. However regions and areas within them (sub-regions) are distinct from, yet exist in relation to, one another (Clement, 1988:152). The Atlantic and its sub-regions struggle against the exploitive forces of Central Canada. Exploitation in this sense is to be understood, ultimately, in class terms along traditional Marxist lines with the understanding that the largest capitals have the potential to be highly mobile and are able to span several regions. The Atlantic region comprises several rather distinct sub-regions; each of which can be identified by its existence under differing historical and material conditions which are not always readily apparent from the outside.

Within Nova Scotia, for example, there are poorer and richer sub-regions relative to each other and in relation to regional, national, and international centres of power. These intra-regional relationships have not been widely pursued as a research topic yet they may provide fertile ground for critical materialist analyses at the micro-level in the future. The major sub-regions within Nova Scotia alone include the Annapolis Valley and Bay of Fundy, South

Shore, Eastern Shore, Cape Breton, Halifax, Northumberland, and Southwest Nova Scotia). In terms of the fishery and related industry there are three general sub-regions different from those mentioned above: Cape Breton, Central, and Southwestern Nova Scotia (Monroe and Stewart, 1981:12).

Nova Scotia's fishing sub-regions exist in relation to each other, usually not as exploiter and exploited, but as unequal competitors for an unequally divided resource. These sub-regions differ significantly in terms of the amount and variety of fish available to be caught, their economic bases and their populations. They also differ in their relations to the centre. There exist two indispensable components in the analysis of sub-regions. The geographical differences can be explained partly by the widely recognized economist term "comparative advantage (a materialist term), but to stop there in explaining the differences between regions would be geographically determinist. The other component is "the social" which is impacted upon by the structure of relations between both individuals within and across regions. A case illustrating the distinctiveness, yet inter-relations of the sub-regions, is Southwest Nova Scotia.

Historical Process: The New England Connection

Today Southwest Nova Scotia is among the most important of the fishing sub-regions in Nova Scotia. Its development (or underdevelopment) may be linked with three resident immigrant groups and with many non-residents who have sought to exploit both the resources and the people of the area. The French Acadians, British Loyalists, and Northeastern U.S. Yankees each at different times and in different ways played roles in shaping present day Southwest Nova.

The first of these groups were the Acadians who, through French colonial land grants, settled in Pubnico as early as 1653. Although briefly de-populated during the period of British colonial conquest 1755-60 (the historical event known as the Expulsion of the Acadians), Pubnico did rebuild after the expulsion years, it and several other early French settlements remain essentially Acadian in their ethnic composition. As we will see the expelled Acadians returned often with help from others; however, this fact has not been given significant attention in historical writing. The motives for individual and group actions are often clarified when we understand the material interests of each. This makes it possible for us to understand why, for instance, New England merchants assisted many Acadians when returning from their exile. Idealist analyses may put it down to the charitable nature of the Protestant merchants or

may ignore it outright (McCreath et al., 1982; Brown, 1937). However, as has been documented, "While merchants had some sympathy with the Acadians (and no great love of the British), it was mainly the fish from the Pubnicos that interested them"(N.S. Dept. of Tourism; Yarmouth County Leaflet). The Merchants apparently had two solid material bases for their actions. First, and most importantly, they wanted to develop access to cheap and high quality fish which they knew was available in Southwest Nova. Second, they had long resented the British colonial taxation of their settlements; therefore, helping the Acadians could ultimately undermine British power.

The close ties that the Acadians developed with New England as a result of the fishing trade remain strong today. Many familial connections were made and continue to be made also as a function of the fact that emigration is the norm for a significant proportion of the population. For example in the Pubnicos (West and East),

The whole population could be of 2,500 souls at the present time. Surprisingly enough the population has hardly changed in number since 1921, when there were 2,495 persons...West Pubnico, for example, notwithstanding the large number of births, in comparison with its deaths, has had for quite a number of years a population of about 1,400 (D'entremont, 1984:4).

The Acadians were originally forced to leave they then returned and have since stabilized their population, albeit with high emigration. The British loyalists who fled to Nova

Scotia during and after the 1776 revolution are notable in this context by their absence. Although large numbers of loyalists settled in Shelburne, Halifax and other towns in the province they were not welcomed to Yarmouth county. In fact historical research has shown that,

English [speaking Yankee] settlers from New England first came in 1761 and settled at Chebogue from which the Acadians had been expelled. Indeed New England furnished most of the early settlers to the County and the tie with New England has always been strong. When the thirteen English colonies revolted against England in 1776, there was a strong sentiment in the Yarmouth area for joining them (my emphasis),
(Connor et al., 1965:2).

Historical and material factors such as these have proven extremely important in terms of their impact on the politics, culture and dominant ideology of the sub-region.

Although the Acadians were the first to settle in Southwest Nova their numbers were eventually surpassed by the emerging dominant group, New England Yankees. "The early settlers to Yarmouth Township were mostly descendants of the Puritans and the Pilgrim Fathers of the Massachusetts colony" (Brown, 1888:84). A list of settlers to the Yarmouth township alone prior to 1800 shows the considerable yearly immigration from New England (Brown, 1888:159-61). This immigration in combination with the flow of surplus labour from the Acadian villages to New England has had a tremendous impact, not only on the demographics of the sub-region, but as a material force these changes brought powerful and attractive ideologies and cultural practices

typical of New England and quite distinct from other areas of Nova Scotia.

To summarize, the original cultural and economic ties between Southwest Nova Scotia's Acadians and New England Yankee merchants, I would argue, laid the groundwork for the development of a distinct Southwest Nova Scotia business ideology. Soon after those original ties were made, immigration by large numbers of New England Yankees, especially to the Yarmouth area, bolstered the sub-region's already maturing character. The ideology which emerged was quite similar to that which was dominant in New England -- a form of aggressively independent, laissez-faire capitalism.

In addition, however, to the cultural and ideological forces which shaped the lives of the people of Southwest Nova were the more easily recognizable material factors of the environment and geography. The environmental and geographical characteristics of Southwest Nova make it unique as a sub-region in the Atlantic provinces. Owing to its southerly geographical position vis a vis the rest of the region Southwest Nova has historically enjoyed a longer period in which small boat fishers could safely work. Whereas in much of Cape Breton, Newfoundland, and Prince Edward Island fishers had to deal with the dangers and problems of ice, Southwest Nova fishers generally did not. "The greatest percentage of fishermen in the Southwestern region are full time (over 10 months)" (Monroe, 1981: 13).

Ultimately this has consequences on the yearly annual income and the unemployment rates to be discussed later.

Fishers who worked there have also historically had access to a generally wider variety and a more abundant stock of fish to draw on than the other sub-regions in the province. All of the ground fish, herring, mackerel, swordfish, tuna, even irish moss/rockweed collection and most importantly lobstering were available. Traditions developed where fishers worked combinations of these stocks throughout the year. Although not all fishers would work the entire year or each activity, for example, rockweed collection is considered by many fishers to be a young man's activity because of the heavy back-breaking nature of the work, many could fill up the year easily. "This feature has helped eliminate the need for additional occupations in this area" (Monroe and Stewart, 1981:14). The probability of filling up the year was much less likely in the other sub-regions of the Atlantic provinces.

The consequences for fishers arising out of the variety of activities available again are reflected in the yearly incomes from fishing by Southwest Nova Scotians.

The Southwestern region is characterized by a greater variety of commercial species and those with a greater landed value are located in this area. This fragmentation is also reflected in the fishermen's earnings, which appear to be substantially higher in this part of the province, although precise estimates are difficult to obtain (Monroe and Stewart, 1981:15).

The resultant prosperity of the region, in large measure due to fishing, is reflected in the sub-regional differences in unemployment. In a province where fishing is the largest industry next to government Figure 3.1 illustrates how, a sub-regional grouping (Digby, Lunenburg, Queens, Shelburne, and Yarmouth) which corresponds roughly to my own description of Southwest Nova Scotia has lower unemployment rates than the province as a whole (N.S. Statistical Review 1988). This grouping of counties which is similar to Southwest Nova Scotia in fact has the lowest unemployment rate in the province in large measure because the fishery there has been able to absorb the people who would otherwise be unemployed.

Figure 3.1
Unemployment Rates Within Nova Scotia

Series 1-Southwest Nova, Series 2-Nova Scotia Average
Source: N.S. Statistical Review, 1988.

The implications that can be drawn from Figure 3.1 point partly to the differences in the amounts of fish available, the length of the season, and the structure of the market. The structure of the market is an important factor in any materialist analysis of capitalist society. Southwest Nova is located only 280 kilometres (240 miles) from the large and lucrative Boston area fish markets. In fact this has historically been an important social structural constraint on the fishery. In winter, for example, with circuitous and often impassable roads to Central Canada the area's people could and did easily trade with the Boston area.

The character of trade was often recognized, at least intuitively, as one based on unequal exchange. As Rawlyk points out in his analysis of Nova Scotia history, "What is particularly significant about the 1630-1784 Massachusetts - Nova Scotia relationship is that it was emphatically not one of equals" (1973:xiii). As trade developed so did the inequality of the relationship as he again explains,

The south shore fishing and lumbering settlements of Yarmouth, Barrington, and Liverpool continued to be under the economic domination of New England [in the late eighteenth and early nineteenth centuries], as the region had been since the seventeenth century. For over one hundred years various Massachusetts fishing entrepreneurs had been able to control this region from a distance (1973:225).

After confederation Central Canada began to assert its political dominance over the region; however, the economic

and social ties that had developed with Massachusetts remained a strong influence.

There are other features of the market for fish in the area which makes it different from the rest of the region. Because of the large amount of fish caught in this area there exist a variety of small fish processing companies. The existence of these processors bolsters the notion that the fishery is a collectivity of small business people operating in a free market, although as Monroe and Stewart also points out, "monopolistic characteristics are still prevalent" (Monroe and Stewart, 1981:14). It is clear that the fresh fish markets have remained relatively competitive, whereas, other fisheries requiring freezing or canning have fallen under the control of more monopolistic capitals. The ability of many small processors to remain independent is often strictly limited in these markets, yet the ideology of successful entrepreneurship inherited from the New England Yankees and perpetuated by the community flourishes in the area. The actual independence of many small plants is also questioned since many do no marketing, rather, they tend to process as feeder plants for the dominant companies in the area. The issue of their independence, however, will be taken up later.

It has often been suggested that the relative richness of Southwest Nova's fishery and the consequent variety of gear types utilized there has militated against the

formation of longstanding class-based fisher's organizations, i.e., Monroe and Stewart, 1981:17; Dubinsky, 1987). Many local associations exist around the province, but they are often hesitant to join broader groups, ostensibly for fear of being dictated to thereby sacrificing their own local interests for the benefit of broader needs of the organizations. Such affiliations would detract from the ever-present "independence" of the individual fishers. This creates its own set of contradictions which will be discussed in a later section.

I have already alluded in some detail to the historical linkages in attitudes and values inherited from the New England states as a consequences of the close and longstanding economic and cultural ties to Southwest Nova. Here I shall endeavour to expand on the themes which stem from the sub-region's dominant ideological forces; these include the historically developed ideology of individualism and independence and, at the level of practice, its impact on notions of entrepreneurship and consequences for unions and other fisher's organizations.

The dominant ideology in Southwest Nova, especially prevalent in the powerful fishing community (fishers, processors and suppliers inclusive), comprises a brand of laissez-faire capitalist and petty bourgeois production. Their ideology is distinctly free enterprise in relation to the rest of the province and the region. The laissez-faire

doctrine as developed by Adam Smith in Wealth of Nations suggested that the greatest good for the greatest number of people was achieved when individuals pursued their own selfish interests. The state had a limited role in ensuring the conditions for the reproduction of the system. Other writers bolstered this ideology as it took shape through history including J.S. Mill, Bentham, Locke, Hume and others.

In its more extreme modern day formulations this doctrine would restrict state intervention only to those matters which either could not be handled through the market or would prove too costly to be handled so. In his critique of Milton Friedman, Macpherson describes the limitations that such a state would impose on its interventions,

Controls on, or support of, any prices, wages, interest rates, exports, imports, and amounts produced, would all have to go; so would present social security programs, housing subsidy programs, and the like (1973:144).

Few groups however hold to such a view. In practice fishers analyze the system based on their own constellation of interests and objectives. Like other groups they selectively reject laissez-faire policies when it is in their interests to do so. In instances where fishers have felt threatened by a particular group or state policy they have mobilized in order to circumvent the strictly laissez-faire operation of the market. Special social programs represent the most obvious state interventions taken at the behest of fishers;

examples include, special loans for vessel replacement and unemployment insurance considerations, but practically all state policies affect the market in some way. In his discussion of some of these contradictions Davis clearly gives his analysis of the contribution that labour process makes toward the fisher ideology of independence:

Fishing boats and gear are formally the property of their users. The units of production are self-contained small-scale and individually operationalized in an often risky environment. All of the work tasks in each unit of production are generally completed by its crew members. Fishing incomes are solely derived from the production strategies and the expenditures of each unit of production. In short, small boat fishing is in many ways characterized by the independence and the individuality of each crew. Moreover, attributes of production strategies lend a sense of inter-boat competition to some of the activities, e.g., lobster fishing. The fishermen's ideology of self reliance and rugged individualism is in these ways reflective of aspects of their real experiences (1984:435).

Fishers clearly have a material basis for their ideology of individualism and "independence". The labour process, as just outlined, is one characterized by autonomy or "self-dependence" if not independence. It is true that fishers decide when, how, where, and how hard to work; however, they do not make these autonomous decisions as though they were extracted from the exigencies of daily survival as fishers -- outside forces affect their decisions, not the least of which is the need to turn a profit which in practice translates into catching enough fish (and selling it) to reproduce the enterprise at the going rate of fish per kilogram or tonne. At the level of the market where

oligopsonistic and paternalistic relations abound between fishers (sellers) and merchants (buyers/processors) the ideology of independence ceases to function. There, the bases for the fisher's sense of independence, the product of their labour process, and the romantic, idealist notions of fisher "independence" produced in culture and folklore are unmasked before the harsh material forces of market exchange.

The peculiar strain of this ideology which exist in Southwest Nova, with its perhaps more adamant than average free enterprise ideology, is more completely understood when we also consider the cultural ties, already touched on concerning the historical linkages between the area and New England.

The adherence to the ideology of individualism and of laissez-faire capitalism is, in effect, a function of these two primary influences -- the New England connection and the material base of fishers at the level of labour process. New England's historical economic and cultural\ideological domination established conditions which clearly fostered a cultural climate agreeable to their free enterprise ideology.

Ultimately this boils down to the dependence of fishers on buyers for a living, but the unequal and antagonistic nature of the relations is de-emphasized in the local culture because of the paternalistic relations between them

and because of the legitimation of these inequalities through the dominant ideology. In fishing there are usually many sellers and few buyers. Fisher dependence becomes ingrained often in paternalistic relations with buyers. Economists might say that this is how the market should be in order to ensure maximum freedom as though the sellers were operating in a primitive economy where they were simply bartering or exchanging use values. Assuming this were the case fishers could decide to stay with what they had and survive with it. As Macpherson has convincingly argued, "The proviso that is required to make every transaction is not freedom not to enter into any particular exchange, but freedom not to enter into any exchange at all. This, and only this, was the proviso that proved the simple model [of exchange or barter economies] to be voluntary and non-coercive" (1973:146). As he explains it, this is how the modern capitalist system differs from the simple model; with a large propertyless labour force workers are forced to sell their labour, in whatever form, on the market. Fishers fit in here in two respects, each implying a slightly different theoretical position, but each has value. First, fishers' labour is commodified in the fish that is caught, consequently when they sell their fish they are actually, at some level, selling their labour. The second position explains that because of the oligopsonistic nature of the fish markets, which are indispensably linked to and are part

of the capitalist system, "freedom" is limited to such an extent that it is equated to coercion -- sell on the oligopsonistic market, whether you are being paid for the real value of your fish or not, or get out of the industry. Each of these positions raises a variety of important theoretical questions to be discussed in a later section.

The establishment of a Maritime Fishermen's Union (MFU) local in Southwest Nova attests to the fact of widespread, coercive relations faced by small boat fishers at the port market. The union's place in the broader struggle of small boat fishers is of growing importance since it functions as the single united voice representing this class, for all intents and purposes, in a sea of individualism. Although today the MFU represents fishers on many issues it originally broke into the sub-region by pushing the agenda of small boat gillnet fishers in the highly competitive herring fishery. It is to the recent transformations in that fishery that we turn in the following chapter.

Conclusion

In conclusion the purpose of the this chapter was to establish the linkages between Southwest Nova's historically developed material base and its unique features as a sub-region in Atlantic Canada. Few historical analyses

explicitly make this fundamental connection which clarifies the rise, and effect of, prevalent ideologies, local relations of production, and their political consequences.

The historical forces shaping Southwest Nova Scotia, including its location, dominant ideology, and social organization have taken a form that is not conducive to the long-term existence of class-based organizations (Monroe and Stewart, 1981). These structural constraints do not preclude the rise of such organizations; however, it is against such structural constraints that groups like the MFU struggle for existence.

Chapter IV

The Bay of Fundy Herring Fishery:1975-81

Introduction

In this chapter I will provide a discussion of the labour processes involved in the herring fishery. Following that is an analysis of class relations and their connection to class transformations in the herring fishery from 1976 to 1981 spurred on by state policies under the so-called Bay of Fundy Project. This also includes the period following the breakdown of the Bay of Fundy Project up to the release of the Kirby Report. The labour processes of competing fishers illustrate important characteristics of the organization of production and the kind or level of investment required in order to take part in the fishery. The labour process, its corresponding scale of production, and investment represent parts of the forces of production. Control of them is a fundamentally class based phenomenon. The essential link is then made from the labour process and the theory of class analysis to the level of real politics and the current state policy structures shaping the fishery.

Labour Processes in the Herring Fishery

In this section we will turn to a brief description of the labour processes undertaken by the two groups of fishers traditionally involved in fishing mature herring. It is important to keep in mind while reading this section that labour processes of any person or group are intimately connected to their class position. An awareness of class consistent with that discussed in the Chapter II is especially important to the development of the thesis because there I introduced the main concepts which will be used in this and following sections.

As suggested previously the herring fishery is a seasonal, mainly summer, fishery for most herring fishers. Operating out of the domestic unit the versatile small boat fishers pursue herring in order to avoid other fishing activities which may be less profitable, more difficult, and less accessible, or also to avoid reliance on unemployment insurance in what would normally be a productive time of the year. In southwest Nova Scotia there are between three and four hundred gillnet boats/fishers (DFO,1989:11)* During

*With three of four persons per vessel and 300 - 400 vessels the gillnet fishery has generated a significant level of direct employment: 1,200 - 1,600 people. This contrasts with the employment generated by the purse seine fleet of forty vessels: 250 - 300 persons. By this difference in employment generation alone it is clear that the gillnet fishery has the potential to be, and has been, a highly desirable sector of the herring fishery. The "social efficiency" of gillnetter participation is even clearer when we consider that without gillnetter

others seasons, however, most of them also participate in the highly regulated and relatively profitable lobster fishery: its late fall/spring season (Clement, 1986:32).

Their production is the household production of the domestic unit and is typified by Sinclair as "a form of production for market exchange in which the producer's household supplies the necessary labour and kinship relations overlap with those of work" (1984:34-35). Unlike capitalist production which has as its inherent goal the accumulation of capital (i.e. for further growth and investment wherever possible) the goal of production out of the domestic unit is to reproduce the domestic unit itself - in other words subsistence is its main goal. Although kinship and labour relations often overlap as Sinclair points out, kinship relations are not integral to the process while labour relations are. In actual practice a considerable amount of local non-kin labour is utilized, however, neither does this qualify small boat owners as capitalist: the distribution of the value of the catch remunerates crews and captains based on traditions developed in the local, small boat fishery. Constraints on the exploitation of crew by captains are in this case social and are tied in with longstanding community practices which

participation many of these fishers remain idle during the April to December period. It is suggested that state policies must consider the consequences of capitalization a fishery especially when it affects such large numbers of same sector fishers.

socially sanction captains who become known as poor payers -
- ultimately they do not hold onto their crews if they
persist (Davis,1984:436).

Labour Process: Small Boat Herring Fishers

The work of small boat fishers is best understood, in the first instance, not by studying any ideas that they may have in their heads or opinions that they hold at any particular time, but by understanding their relations with others in terms of the material basis of their production. For the small boat fisher of Southwest Nova Scotia the forces of production constitute the Cape Islander vessel, the equipment used aboard them and shore equipment (i.e. for maintenance of nets, boats and transportation -- usually a pick-up truck). They are usually under 45 feet (14 meters) in length and when new range from a minimum cost of \$50,000 to \$100,000. This size of investment, though relatively small by industry standards, is considerable given the average income of fishers as rural Nova Scotians.⁵ Fishers routinely establish large debts through the fisheries loan boards (Davis, 1984a:423-25).

The nets used by these fishers range in length from 25 to 65 meters (80 to 200 feet) (Kearney, 1983:59). Gillnets operate by forming an invisible (or transparent) wall in front of a school of herring. The mesh is constructed of such a size that small fish may pass through it while the

⁵See Veltmeyer (1979) for a discussion of the longstanding conditions of underdevelopment which limit opportunity to rural Maritime residents, often leading to emigration.

larger more desirable fish can only pass through to a point just past their gills. Upon trying to back out the gills of the fish catch the net -- the fish is trapped. The "designed in" selectivity of gillnets which allows small fish to escape and to mature is one of its major advantages in terms of environmental conservation. Purse seines, though a much more effective fish hunting technology, cannot discriminate according to the size of fish, nor at times, the species. Gillnet fishing is limited to shallow waters and is commercially effective only in areas where the fish congregate in large numbers. As a result they fish mainly during the regular spawning season. In the Southwest Nova Scotia these factors highly circumscribe when and where the fishery may be pursued; the primary grounds for them are on Trinity Ledge with another areas being off Seal Island, Gannet Rock, and Green Island.

There are two main types of gillnets in the Atlantic fishery -- the set or fixed gillnet and the drift gillnet. In addition there are a few styles of each of these. Set gillnets are used only for the capturing of bait and need not be discussed here. The drift gillnet is the technology used in the Bay of Fundy region for the food/roe herring fishery. Drift nets hang from the surface downward and are set in a straight line with a buoy at one end and the other attached to the vessel (see Appendix). These are not left for long periods (usually anywhere from 15 minutes to a few

hours). Drift netting, like all herring fishing, is done at night when the nets can not be seen by the fish and when the herring school surfaces to feed.

The Labour Process of Herring Purse Seiners: Past and Present

In the period prior to 1975 the vast majority of seiners were clearly inshore vessels. Although slightly larger than the traditional inshore boat (forty-five feet) they remained in the local area and had no capability for trips longer than a day. They had very limited carrying capacity and no refrigerated holds. Consequently they represented a significantly lower investment, though not fundamentally different. The differences that have evolved until today emanate from the penetration of large scale capital. Purse seine vessels have become considerably more mobile, able to fish the entire region of the Atlantic Provinces and their cost has increased dramatically. In 1979 the replacement cost of vessels were under a \$1 million today replacement costs would average around \$3 million. Much of the increase is due to the application of more advanced fish finding systems and on board refrigeration systems which were spurred on by market pressure for the improvement of product quality. Special government assistance programs helped to finance the conversion to the new refrigeration systems. Most of the purse seine vessels which are not new have undergone extensive renovations, most importantly involving increased carrying capacity and the integration of the refrigerated sea water cooling system for preserving the quality of the catch.

Among capitalist enterprises involved in the herring fishery I found it necessary to make the following distinction between large scale and small scale capital. Large scale capital refers to the large processing companies which dominate relations between themselves, and the purse seiners and small processors. Small scale capitalist here refers to both the purse seine captains who own vessels and the many small fish processing enterprises. The large scale capital of the large processing companies dominates each of these groups through appropriation relations and economic ownership, but usually not possession.

Skippers of herring purse seine vessels are small scale capitalists who employ crews as labour and directly supervise production. It is because they legally own their vessels and hire the crew while at the same time overseeing production that they can be called small scale capitalists. The captain of the purse seine vessel is the one with the authority to decide to make a set. The captain has control of the vessel and of each crew member in terms of assigning tasks: taking care of nets, cook, engineer and skiff operator. Although the division of labour is low on the vessel there is a job hierarchy among the hired labour (crew members). The cook and engineer usually get special benefits (extra pay or some other benefit). Such a hierarchy leaves open the possibility of some advancement of position, though marginal.

Purse seining, like gillnetting, is done in the night when the fish cannot see the net, and when the herring come to the surface to feed. Purse seine technology, however, is vastly different than that used by the small boat fleet. The technology was first developed in the United States in the 1860s. Records suggest that purse seiners first entered the Bay of Fundy around 1930 and grew slowly until the 1960s. Eventually this method was so effective it was banned in several areas, for example, during summers in the Bay of Fundy up to the early 1950s. Modern herring seiners are intermediate sized vessels (6 to 10 crew) although they have been growing rapidly in recent years, especially in terms of the amount of fish they can carry. Their size in the 1970s varied from under 50 gross tons (21 boats) to 50-100 gross tons (20 boats) to over 100 gross tons (16 boats) with the larger boats being more mobile than the smaller ones (Mitchell and Lennon, 1975:32). Although there was a short-lived period of expansion during World War II, it was the 1960s that was the period of greatest expansion (Comeau and Bellfontaine, 1981:16). The expansion was spurred on by two main factors. First United States demand for large quantities of low priced raw material for fish meal grew dramatically at this time. The fishery in The Bay of Fundy responded by building new seiners, converting other vessels and transferring much of the Pacific processor-owned fleet to the east coast. Secondly plants were constructed for the

reduction of herring to oil and meal (AHFMC,1980:4). By 1979 there were approximately fifty-two seiners in the fishery, seventeen of which were steel hulled and were over 70 feet while thirty-five were wood and ranged from 50-65 feet (AHFMC,1980:10). Few seiners today remain under 65 feet and the number of wooden seiners has been in rapid decline in the 1980s.* In 1979 there were approximately fifty-two seiners in the fishery, seventeen of which were steel hulled and were over 70 feet while thirty-five were wood and ranged from 50-65 feet (AHFMC,1980:10).

The labour process undertaken while purse seining today is a method where the vessel lets out a large net held in place by a powerful motorized skiff. With the skiff remaining more or less stationary the purse seine vessel motors in a large circle, this motion draws the net off of the seiner's rear (aft) deck. Once the circle has been completed the net is in place floating from the surface downward to a depth of approximately twenty meters (seventy feet). After surrounding a school of fish (pelagics: surface feeding fish like herring) the net is drawn together at the bottom (pursed) trapping the fish inside. The net is then hauled in with the fish remaining in the water until they

*The Leroy and Barry II a ten year old steel hulled purse seine vessels recently had a thirty foot extension changing it from 66 feet 6 inches to 96 feet. This addition doubled its carrying capacity as well as adding a new fibreglass hold for the cooling of the catch in ice water (Sou'wester, 15 April,1989:9).

have no room to swim, then the crew put in place a special fish pump which is used to pump the fish into the refrigerated hold. From the beginning of the set to the time of the pumping of the last fish and stowing of the net can take between 1.5 to 3 hours depending on the size of the catch.

Purse seining is less selective than gillnet fishing in terms of the species and the size of the catch, this results in significant levels of the catch being wasted. For example, in 1979,

[T]wo seiners were sampled by fisheries officers in Caraquet, N.B., and out of a total catch of 250 metric tons one of the seiners had a 70% catch of undersized herring (less than 9 [inches] while the other had 40% of its catch in undersized fish. This meant that over half of the combined herring catches of these two seiners was undersize and therefore illegal herring (Monroe and Stewart, 1981:123).

Other instances of wastage occur with seiners. One informant, a crew member on a purse seine vessel, with whom I spoke during my field research explained that a vessel he was on had recently caught over forty tonnes of herring (a relatively small catch), but the captain "lost the market" for it while at sea and consequently dumped it. Though illegal, the practice is extremely difficult to police. The most important waste factor by far, however, is that during the herring roe fishery between July and September 50% of the catch, the males, are almost immediately considered as waste, although a proportion are used for food and/or

reduced to fish meal (See also draft of 1989 Herring Management Plan, Improved Utilization of Resource).

Dumping of herring waste has become a critical problem in western Nova Scotia over the past five to seven years, ever since the herring roe fishery began, a fishery that extracts only the eggs from the females and treats the rest of the catch as waste (Zinck, 1988:16).

Dumping of this waste is covered by tight regulations, however, in practice it also is difficult to police; charges tend to be rare (Sou'wester, 1 Jan. 1989:6). Of the females only about 5-10 % of the fish (the roe/fish eggs) is actually used because after the removal of the roe the remaining carcass of the fish tends to be too badly damaged during the extraction of the roe to be used for human consumption. This results in most of the rest being dumped in the sea or buried in landfill sites'. The DFO estimates that the dependency on the roe market results in approximately half of landed herring carcasses being dumped (DFO, 1989:2). Other sources within the sub-region may estimate that the amount is in fact greater than this, but I

'The burying of herring waste has become so unpopular that it has been drastically curtailed. The alternative, however, has proven equally unpopular. "Complaints surround the use of barges that take herring waste to sea for dumping. Several [Yarmouth town] councillors are concerned that these barges were often tied to the wharves with rotting fish and that the barges were often overloaded to the point where the waste was being pumped directly into the harbour" (Atlantic Fisherman, 1988:16). Other fishers suggested to me that though there were designated dumping sites at sea these were not sufficiently policed and that it was likely that a considerable amount of herring waste dumping was taking place just outside Yarmouth Harbour. They expressed concern that these practices may damage traditionally good lobster grounds.

did not find any. By comparison, however, I found that in Prince Edward Island only 10% by volume of the fish is used (Duerden, 1989:28)."

The fishing season for herring purse seine vessels has changed over the years. In the period before the Kirby Report (1982) the fishery included periods in the Gulf of St. Lawrence, Newfoundland, Georges Bank (until 1977 when the stock was decimated), the Bay of Fundy, Grand Manan, and Chedabucto Bay.

THE HERRING FISHERY 1975-1981

This period is important because during it the state clearly took the initiative in terms of the long term development of the fishery. Capital and labour played important though secondary roles. The state's perspective was one supportive of a shaky capitalist class whose business strategies had threatened the reproduction of the fishery itself.

In Canada the crisis in the fisheries and the weakness of the regional economy has meant that there has been a high

"During my fieldwork small boat fishers on several occasions commented that it was very unfortunate that there was so much waste from the herring fishery, the resource could be better utilized. This same kind of comment is also often recorded in the local and industry papers. "The waste said Murphy, is a sad sight, considering the extent of hunger in the world" (Duerden, 1989:28).

level of state regulation of the industry. Following from the discussion of the state its role in the reproduction of the industry, especially in Chapters I and II, it is clear that the Canadian state's approach to the "crisis in the fishery" has been and is one of increasing regulation of the fisheries in the interest of seeing to it that this sector not only reproduce itself, but reproduces itself along the lines of a large scale, vertically integrated capitalist industry.

In this context of state regulation for the purpose of ensuring the extended reproduction of the sector the Bay of Fundy Project may be viewed as an attempt by the state and capital to solidify a shaky small capitalist class and prepare for the expanded reproduction of the industry. The problem with this, as I will show, is that the small scale capitalist fishers were strengthened at the expense of the small boat sector -- a fact that has generally received little discussion from Maritime analysts, but first we will focus on the examination of the Bay of Fundy project and an illustration of how it, whether through design or not, served to set stage for further developments and change in the most recent period of restructuring in the herring fishery.

Capital and the Bay of Fundy Project

Beginning in 1976 the changes which were taking place in the fishery were driven, first by the state, then capital, with labour (in this case small boat fishers and crew on purse seiners) significant primarily by virtue of the consequences that the changes had for them and not because of labour's own pushing forward of its agenda. "

The economic climate of this period, the early and mid 1970s, was a well known inflationary one with declining demand in many sectors -- stagflation (Mitchell: 1975). As pointed out in the conclusion of Chapter III, in the early 1970s the herring fishery was in a period of economic crisis with high inflation, low prices and shrinking demand for their product. Fish stocks were declining; a glut-to-scarcity pattern of landings was occurring; excess capacity existed in fishing and fish meal processing; processors monopolized the port market; fishers' incomes were

"It should be noted that the crew on purse seiners did have an organization -- Scotia Fundy Seiners Association (SFSA) -- which was formed in order to advance their concerns during the Co-op's negotiations with processors. It was, however, placed in the highly contradictory position of being vehemently anti-union while at the same time acting like a union, and to purse seine captains, it looked very much like a union. Crew members of several purse seine vessels with whom I spoke during my fieldwork in the summer of 1989 either had not heard of it or assumed that it was defunct. One crew member suggested that they were "too much like a union". In addition Don Aldous (a senior official on the Scotia-Fundy Herring Advisory Committee) had not heard of the organization.

depressed; they had little control of international market price since most product was exported, and there was regional underdevelopment characterized by a great reliance on one industry (fishing) towns (Kearney, 1984:172).

Until that point in the food herring industry was supplied almost exclusively by weir and gillnet fishers (Kearney, 1981b:2). The purse seine sector had only supplied raw herring to the processing sector for the production of fish meal and oil which were low priced commodities. Consequently purse seiners had to catch large quantities of fish in order to survive in the industry. Fish stocks were, however, on the decrease at that time causing, "fierce competition among the fishermen to land as much fish as possible before the fleet quota was reached" (1981b:3). As Kearney continues,

With the development of problems in the fish meal market in 1975, a crisis situation was reached, and direct government subsidies were required to keep the purse seine vessels economically viable (1981b:3).

The state of private property, especially with respect to the market for the raw commodity produced by fishers is a virtual monopsony (one buyer) in New Brunswick and just slightly better in Nova Scotia. In Southwest Nova there are two dominant processing companies and a large number of smaller processing plants. Although this has to some degree always been the case ever since the 1950s the level of concentration and centralization deepened in the early and

mid-1970s. MacLeod gives a good review of the economic structure of the herring fishery in the 1970s and earlier.

Over the past thirty years, the ownership of fish processing firms has become increasingly concentrated. The sizes of both the firms and the plants have grown dramatically during the period. However the number of firms has fallen drastically (1981:5).

In Southwest Nova Scotia and New Brunswick Connor's Brothers is the largest of the large scale capitalist firms which processes herring. It has 12,000 workers; sales of over \$200 million and is almost wholly owned by the Weston Empire -- best known as the owners of Canada Packers (Dunn and Bradstreet, 1989; Clement, 1986). In 1974 eight of Connor's Brothers plants in New Brunswick accounted for approximately 90% of total processing capacity (Mitchell and Lennon, 1975:37). MacFarland (1980) provides a good analysis of the extent to which monopsonization, like that held by Connor's Brothers can affect small fishing communities. On the Nova Scotia side there are a half dozen firms, however the basic structure of oligopsony remains.

Although Connor's operates there as well the next largest firm is Comeau Sea Food of Saulnierville. Comeau Sea Foods Limited is the other major processor in the sub-region employing 150 workers. In the Bay of Fundy region as a whole the top four firms employed between 77 and 80 percent of the processing work force. This shows a considerably higher concentration of firms than the industry average, in fact approximately double (MacLeod, 1981:12). The enviable

market position of processors, on the other hand, is not held without risks. Because they have not fully dispossessed seiner captains they run risks that they would not face if seiner captains as well as crew were proletarian. The main risk is that purse seine captains would be able to organize collectively and as a capital owning group are in a better position than clearly proletarian workers to increase competition between processors. Organizing in this way may not be designed to fundamentally change the relations of unequal exchange as they exist, rather it may simply strengthen the position of seiner captains -- to make exchange less unequal.

The existence of a marketing oligopsony was a major disadvantage to purse seine captains. Its effect was that processors were able to have a high degree of control over prices paid for the raw commodity. They did this with three primary strategies: appropriation relationships; owning a few seiners outright; and buying the raw commodity from outside the market when local fishers were threatening to cut off supply due to low prices. As already mentioned, by granting loans to some captains, thus appropriating their catches, processors were ensured a regular supply of herring. This also put pressure on other purse seine captains to compete with those who had accepted some sort of processor support (through loans or other mechanisms) (Kearney, 1981b:5). The understanding of appropriation

relations that exist between captains and processors is based on the theory discussed in Chapter II where a new definition of the formal subordination concept was adopted - formal subordination without dispossession from the means of production. The slightly different use to which I put this concept is that not only can it be applied to producers who produce from the domestic unit of production and who sell their catches as commodified labour to capitalists, but it can be applied to small capitalists (i.e. purse seine captains) who in turn exploit workers (their crews) who produce the catch which is then sold through the same kind of market relation to the processor. These appropriation relationships with seiner captains again illustrate the opportunistic (polymorphous perverse) nature of capitalism. By owning a few pursue seine vessels outright processors are able to make fishers proletarian. Profit, in these cases, could be captured either by legal ownership or non-ownership the means of production depending on the market and stock conditions, as in the two preceding examples. The other method that processors in the Bay of Fundy region have used was to simply buy the raw commodity from outside the region. In 1979, for example, when processors of herring were not getting the price they wanted to pay they imported 4,000 tonnes of adult herring from the United States thereby undercutting the ability of seiner captains to market their catch on a competitive market (AHFMC,1980:12). Each of these

measures was integral to the processors ability to appropriate economic ownership from captains.

Orviously not all of the problems of the purse seine fleet could be altered by organizing on the part of captains, but some could, particularly those that related to conditions at the port market and the oligopsony power of processors. In 1976 government intervention resulted in the establishment of the Atlantic Herring Fishermen's Marketing Co-operative (the Co-op). It was an organization of purse seine captains designed to undercut the oligopsony power of processors. The evolution of the Co-op (AHFMC) resulted from a combination of government and fishers' initiatives which were designed to strengthen the bargaining power of captains vis a vis processors. In its first year of operation 27 of 53 purse seine captains joined the Co-op (Kearney, 1984:175).

There was obviously the recognition that existing structures were inadequate to ensure the extended reproduction of this sector of the industry. A broad government re-evaluation of fisheries policies up to that point in time was undertaken. This re-evaluation resulted in a change from the previously accepted model of fisheries management of "maximum sustainable yield" to a management based on an optimization of net social benefits from the resource. The new system however suffers from the persistence of the problem in capitalism of the just

distribution of those benefits. That issue can not be pursued here, but recent history clearly indicates that changes that did occur as a result of this re-evaluation were more likely to reside in the area of semantics than actual practice.

Following the disastrous 1975 season drastic action was called for as the state sought once again to restructure the fishery in order to ensure the extended reproduction of the industry. Romeo Leblanc, the then minister of fisheries, brought together purse seine captains in order to, from his perspective, safeguard the independence of the purse seine captains from processor domination. The sessions resulted in three major changes for purse seine captains. First, a co-operative was set up to strengthen the market position of seiner captains. Second, for the first time in the history of Fundy herring fishery the federal government banned the use of whole herring for fish meal unless given special permission from the minister. Third, a quota of over-the-side sales was given to the Co-op. This was in response to increased demand from Europe which had experienced a devastating decline in the North Sea stocks. In addition the governments of both Nova Scotia and Canada provided subsidies to processors for conversion of their plants from fish meal to food processing (Kearney, 1984:174-75). Furthermore purse seine captains were offered government

assistance in buying back processor owned purse seine vessels.

The economic position of the purse seine captains was improved through a variety of internal Co-op structures. For example, through the Co-op purse seine captains negotiated prices with processors and controlled delivery of their catches in such a way as to subvert processors' ability to control any single purse seine captain's catch. This was accomplished by allocating deliveries of catch from each vessel through the Co-op to a variety of plants rather than one regularly (Kearney, 1984:174). This meant that processors could no longer effectively use the appropriation relationships that they had developed with particular purse seine captains as a means to ensure the delivery of product through a monopolized market. Instead processors were forced to compete against each other in order to appropriate the catch of purse seine vessels. As a consequence a degree of real economic ownership and control was recaptured by the purse seine captains.

The ban imposed by the government on further processing of fish meal constituted an improvement for captains in terms of another re-adjustment of their position with respect to real economic ownership and control. "The emphasis on [fish] meal production", Monroe and Stewart point out, "had resulted in disastrously low price levels threatening the livelihood of these fishermen" (1981:100).

The policy change strengthened their position in the market by providing them with the better revenue that food herring provided. For example, in 1975 raw herring for fish meal was bought at the port market for \$30 per metric tonne; during 1976, the first year of the ban, raw herring for fish meal was bought for \$80 per metric tonne from the Co-op.

Although Monroe and Stewart (1981:101) also point out that prices for whole (food) herring rose that year, from \$24.00 per tonne to \$282.00 per tonne -- the moment that purse seine captains had established an alternative market -- these researchers afforded relatively little significance to the oligopsonistic character of relations between purse seine captains and processors. The extent of the price change, once seiner captains had another market, however, indicates that the former price of \$24.00 per tonne was one based on a highly exploitive set of market relations. Such relations effectively afforded the dominant processors economic ownership of the catch while at the same time not requiring them to invest a great deal in primary production. This changed somewhat, however, at the outset of the Bay of Fundy Project.

The change in the proportion of food herring to fish meal was significant. In 1976 only 34% of the catch was sold for fish meal as opposed to 80% in 1975 (Kearney, 1984:178). Seiner captains' earnings were significantly increased although they did entirely the same work. This change

illustrates that seiner captains did recapture a significant degree of surplus value that had previously been extracted by processors.

The third intervention by the state further improved the bargaining position of the purse seine captains. A quota of over-the-side sales (OSS) in 1976 allowed the Co-op to sell directly to Polish factory vessels at prices higher than that paid by Canadian processors: \$105 per tonne as opposed to \$80. Over-the-side sales increasingly, eroded processors' monopoly power over captains by providing an external market still further increasing in relative terms real economic ownership by captains.

A separate initiative also went ahead that year. Purse seine captains not only demonstrated that they wished to recapture real economic ownership; some sought to capture legal ownership of processor-owned vessels. With loans and grants from both levels of government, nine captains of processor-owned vessels bought the vessels that they had been working on and joined the Co-op. This group of captains was later to become known as the Southwest Seiners Association (SWSA).

The true consequences of the addition of the nine vessels bought back from processors is difficult to assess because it soon proved questionable as to what extent these newly "independent" captains were in fact independent. It became clear that they had maintained close ties with the

same processors that had previously employed them as vessel captains. However it seems that the intent of the transaction was to give the small capitalist, purse seine captains, as a group, increased control of their catches. For a time this seems to have been the case.

Because the new vessel owners had immediately joined the Co-op,

the processors had fewer independents [outside the Co-op] and company owned boats to depend upon for a supply of fish. Eventually the processors had to let their own boats join the AHFMC in exchange for a satisfactory supply of herring (Kearney,1984:179).

At the time of the transaction the buy-back of vessels from processors represented a concrete collective act on the part of the small capitalist, captains, although spurred on by the state, not only to resist dispossession from the means of production, but actually to reverse the process of formal subsumption. In this case purse seine captains worked collectively at the behest of the government and with the government to move from a completely proletarian status to small capitalist producers. As we will see, however, this break was short-lived and a class alliance of a sort soon evolved between processors and seiner captains contrary to the stated intention of the government. The state which initiated the program, however, did not see fit to ensure that processor ownership of purse seine vessels was strictly limited.

The revisions brought about by government to that point regained for skippers-owners some real economic ownership and control that had been appropriated previously by processors. The effect on other gear types, particularly the gillnet fleet, was not so beneficial in the long run.

Although the initial results of the Bay of Fundy Project diminished the ability of large scale capital to undervalue the catch of the purse seine sector, captains remained vulnerable to a variety of processor tactics which could retake economic, though not necessarily legal, ownership.

THE BREAKDOWN OF THE BAY OF FUNDY PROJECT

As already noted, after the implementation of the Bay of Fundy Project prices for raw herring for food rose dramatically. Between 1975-78 the value of the fishery for purse seiners only rose from \$2.8 million to \$11.8 million respectively (Kearney, 1981b:4). It was during this period that purse seine captains' status as co-operative commodity producers was most strongly evident. Appropriation relations were significantly lessened. However in 1979 a disastrously low and reduced quality catch occurred. Tension among purse seine captains grew as the negotiated price for herring failed to be observed by processors. Because of the poor quality of the catch that year (and resulting lower prices than expected) seiner captains felt pressured to begin under-reporting their catches in order to make up for the lower prices -- processors sought these arrangements by playing one captain off against the others while holding its trump card of a few wholly owned company seiners. Kearney has outlined several different kinds of "special relationships" or appropriation relations entered into by captains and processors (1981b:12-15). To be brief, the captains who had previous arrangements with processors got the best deals, while members of the Co-op who fled later to processors got the worst.

Kearney has noted how this set of circumstances eventually led to separate deal making between some captains and processors ultimately resulting in the fragmentation of the Co-op and the breakdown of its marketing system (Kearney, 1981b).

Eleven seiners soon left the Co-op forming a separate organization -- the Southwest Seiners. They left because of conflicts over the distribution of resource benefits. In fact the departure of the Southwest Seiners was a manifestation of processors' ability to establish and exploit appropriation relations. As Dick Stewart, manager of the Co-op, stated,

What really triggered it was two or three boats...got into distributing fish. They made deals with several processors, outside of the Co-op, to sell to those processors only (quoted in Clement, 1986:137).

The eleven boats owned by the Southwest Seiners were mobile purse seine vessels that operated outside the Bay of Fundy; however, instead of delivering their catches to processors allocated by the Co-op they decided to deliver to processors they knew personally -- those in their home ports. It was here that the evidence mounted concerning the system of power relations extant between skippers and processors. Formal and informal ties between processors and captains were either reintroduced or simply remained strong enough that they eventually outweighed the power of the

Co-op. Here formal ties took the form of loan arrangements often called "risk-sharing" arrangements. Informal ties which are undoubtedly of great consequence (see Barrett and Apostle; 1989) were expressed partly through the subsequent under reporting of quota and its concomitant, under pricing of the catch. This seriously undermined the market position of the Co-op.

As the 1980 season progressed catches remained low and of relatively low quality individual purse seine captains continued to break from the Co-op and make arrangements with processors until the Co-op marketed for only nine members, although it still helped establish quotas and administered services to its members. The collapse of the Co-op's marketing scheme in 1980 presents evidence as to how captains faced with monopolistic market relations are themselves susceptible to intra-class cleavages which then can lead to their penetration/subsumption by large scale capital.

The transformation of the Co-op from a relatively cohesive group of seiner captains co-operatively organized in order to regain a degree of economic ownership and control was, as pointed out here, a rather short-lived experiment. The splintering off by the Southwest Seiners was a catalyst which led to the eventual breakdown of the entire Co-op system. Although the Co-op remains active today they do so with a substantially changed role. Since the breakdown

of the Co-op they represent capital (skipper-owners) in an alliance with processors as opposed to a cohesive group of small scale capital asserting their own interests in opposition to processors. As such the Co-op remains subordinate to the demands of processors although it is, as an institution, formally separate from them; processors nevertheless benefit since it helps the extended reproduction of the purse seine sector.

The subordination of the Co-op to the large processors became clear to myself when discussing the Co-op with its manager Dick Stewart. He sought to emphasize that purse seine captains have no real diverging interests from those of processors,

There never was any attempt, and I want this to be clarified, the fisherman have never used the ... because the over-the-side price was \$305.00 or \$200.00 or what ever they'd never use that as leverage to say 'now we want the shore price to be up close to that.' All the over-the-side does is give them an alternative market that puts a little bit of stability into the marketing plan... We don't hit them [processors] over the head with it (Dick Stewart Interview, 06/26/89).

Since that time the Co-op only dealt with the management of the over-the-side sales and leaves purse seine captains alone to make individual marketing arrangements with whichever processors they may be tied either through formal or informal means. It has no longer a shell of an antagonistic relationship to the processors, rather it has been entirely subordinated to them. What was truly new about the Co-op was not that it represented fishers getting

together in order to organize as a class (albeit small-capitalist), but that this Co-op ultimately became an organ of large scale capital with a subordinated small scale capitalist component. As Clement has pointed out, these " 'new co-ops ' of capital, represented here by the Atlantic Herring Fishermen's Marketing Co-operative, are organizations put together for marketing fish and are often extensions of private processors" (Clement,1988:138). The practice of establishing appropriation relations with fishers has proven invaluable to processors because it has served to split purse seine captains into competing associations allied with particular processors rather than with each other.

The fact that many of the appropriation relations seemed to be of an informal nature (based on unequal exchange relations outlined in the explanation of formal subsumption), as opposed to being contractual and formally legal, supports Chevalier's analysis -- that labour can be commodified and sold without having to resort to wage labour or legal contractual relations (1983:159-60). In the case of the purse seining the crews wage is indeed commodified and is determined by a share of the catch. The captain, who also contributes labour, has his/her labour commodified as a share of the catch as well. But when the exchange takes place at the port market no one is in fact paid a wage. In this way the captain's labour has surplus value extracted

from it through the appropriation relation with the processor even as the captain does the same to the crew. Processors in effect extract surplus value from both the captain and the crew. Kearney also emphasizes the informal nature of these unequal exchange relations when he notes that although there were many different kinds of arrangements for under-reporting catches,

The standard was for the fisherman to sign the delivery note only after the processor had determined how much of the catch would be reported and paid for...Those fishers who were highliners or who had long-standing relationships with processors tended to make the most advantageous arrangements (1981a:9).

Unfortunately Kearney does not explain these exchanges in terms of a set of class relations. This is an important flaw in his work which is otherwise extremely useful and detailed.

In this section I have shown that there was a material base for the split of the Co-op and for the eventual breakdown of its marketing system. How does this illustrate the polymorphous nature of capitalism? Processor action and state inaction provide the answer. The recapturing of some real economic ownership and control as exemplified by a strong and cohesive Co-op (Kearney, 1983) was too great a threat to large scale capital to be left to establish itself as a separate, independent power in the industry. Instead large scale capital in the form of several dominant processors was able to exploit intra-class cleavages that

were most apparent and was able to de-claw the Co-op forcing captains into an alliance with processors while leaving the Co-op's outward structure intact. Again this shows how a variety of informal arrangements that allow processors to monopolize the catch of fishers formally subordinates them while still maintaining some of the structures of the original Co-op.

The State: Ensuring the Reproduction of a Shaky Capitalist Class

Although much of this chapter has focused on the relations between fishers and processors, the role government played was crucial in that it initiated the Co-op and legitimated the policies which flowed from the whole project. The project's underlying strategy was to force processors to process more fish for human consumption which afforded fishers a better price than if their catch was sold for fish meal. The herring fishery might otherwise have faced collapse leaving only processor owned vessels which were to a great degree immune from the problem of marketing.¹⁰

In 1976 with a declining resource base and escalating costs for purse seine captains the position that the state took was that without immediate economic help and a thorough restructuring of the industry the fishery would no longer be in a position to reproduce itself (Kearney, 1981b:3). The state took on this responsibility lending credence to the argument that the role of the state in capitalist society is indeed one whereby those individuals controlling it operate,

¹⁰It is not entirely certain that large-scale capital would have desired to control the entire fishery directly since they benefitted so greatly from their relations with purse seine captains (i.e., avoiding many costs of production; See Mann and Dickinson, 1978).

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whether intentionally (Miliband) or not (Poulantzas) in such a way as to ensure the extended reproduction of the system as a whole or as in this case a local sub-system of the whole.

It should also be recalled that another fundamental part of the Bay of Fundy Project subsidized the processors costs in changing over from fish meal to food processing. Ironically, as Kearney points out, government efforts to strengthen the market power of fishers were undermined by the subsidies,

According to available data, 79 per cent of the total value of DREE [Department of Regional Economic Expansion] grants during 1976-1980 went to firms already involved in herring processing in 1976. In addition 53 per cent of the total value of grants was paid to the two largest firms in the region (1984:189).

Rather than increasing competition among processors, as the policy could have done, it strengthened the position of those already existing.

Another important outcome of the entire project was the development of a regular quota of over-the-side-sales which was useful to the extent that it gave purse seine captains an external market (outside of processor control). Unfortunately these sales came to be used to subsidize the processors indirectly (Clement, 1986:158). Higher prices received by fishers from over-the-side-sales allowed processors to buy at much lower prices and still allow purse seine captains and crews to reproduce their labour. This was

to change somewhat in the middle 1980s when the market again went through some important changes.

The effect of the Bay of Fundy Project was also important for those not directly included in the project's terms of reference. Gillnet fishers increased their participation in the fishery when the price for food herring rose in 1976. Up to that point in time the gillnet fishers, many of whom were lobster fishers in other seasons of the year, had supplied the small, but relatively stable food herring market. When the ban on fish meal went into effect the market for food herring grew dramatically, but so did the number and kind of suppliers -- the most important being purse seiners. As noted already the purse seiners had previously supplied processors with the vast majority of their catch of herring for fish meal. During the food herring era, however, this held great consequences for the gillnet fleet. Gillnetters were from then on forced to compete with purse seiners using a vastly different technology. As long as the price of herring remained high, especially over-the-side sales, gillnet fishers could continue to participate in the fishery. The consequences of the Bay of Fundy Project would not truly affect them until and unless prices dropped significantly. This in fact did happen and is the focus of the following chapter.

This chapter included an analysis the labour processes in the herring fishery and of the period following the 1976 restructuring of the fishery up to the early 1980s. When the Bay of Fundy Project began its disintegration during 1980, as several purse seine captains cut private marketing deals with processors, captains again began to cede economic control over their vessels. By 1981 more purse seine captains had cut similar marketing deals and relations between purse seine captains reverted to the pattern prior to the Bay of Fundy Project. State policies nevertheless contributed to the extended reproduction of the fishery by stabilizing with the Co-op a weak small scale capitalist class --purse seine captains.

In the mean time other policies undertaken during the project remained in place and permanently changed the fishery to the advantage of capitalist producers, both large and small, at the expense of competing gear types. The full extent of the restructuring was not to be felt until yet another crisis and yet another period of restructuring was to take place. The fundamental connection between this and the following period of restructuring (after the Kirby Report) is that a variety of structures were set up during the first period which were later to impact upon the participation of small boat fishers. This includes most importantly the Co-op's system of servicing purse seine

vessels and its organizational control of over-the-side sales. These structures helped the purse seine sector to survive even though they often received less than the value of their catch from domestic processors. As Clement has pointed out during this period over-the-side sales operated as a de facto subsidy to processors (1988:141). There is substantial evidence to suggest that rights of property that may have previously been given up by purse seine captains were not given willingly, nor were they maintained by large scale capital without a struggle as is evident in the preceding examples where in 1976 captains regained previously lost property rights of real economic ownership and control. To the extent that they could, purse seine captains also resisted entering into the previously mentioned appropriation relations which they realized limited their real economic ownership. As the Co-op pointed out in their brief to the Department of Fisheries and Oceans dated December 1979, they strongly recommended that government "ensure that seining vessels remain in the hands of independent fishermen" (AHFMC,1979:9). Nonetheless purse seining is a high cost endeavour and as Kearney pointed out,

As long as the fishery is providing a bonanza, fishermen prefer to be independent. However in lean years these fixed and capital costs put a serious squeeze on the finances of the independent fishermen, and the prospects of joint ventures with processors become very attractive (1981b:6).

The ultimate result of the Bay of Fundy Project was that seiner captains formed a de facto forced alliance with processors. While retaining legal ownership they have been forced to give up control over the products of their labour. By 1980 the strategies of Co-operativism originally adopted and integrated by the Co-op in the Bay of Fundy Project existed only as a shadow of its originally intended purpose.

On the other hand the structures that were put in place remained: the Co-op's plant, other capital, and the mechanisms set up to administer over-the-side sales. From then on the Co-op existed as much for the benefit of processors as it did for purse seine captains. This coincides with the main argument in my thesis on the grounds that, at a time when the local system of capitalist fisheries production was threatened with destruction from within, the state stepped in to restructure the fishery thus fulfilling what Poulantzas, Miliband and others point out as its role which is that the state ensures the reproduction of the conditions suitable for production. This means that not all state actions would be required to directly benefit larger scales of capital, but that in the long run they would by ensuring extended reproduction.

The move by the state to help purse seine captains recapture some real economic ownership was one such policy action. It did not directly benefit large processors. The policy benefitted the small capitalist purse seine captains

directly. It did, however, indirectly benefit large scale processors because it ensured the continuation of conditions suitable for production.

The struggle for property rights is obviously an ongoing one in the Bay of Fundy herring fishery. Processors have employed strategies to dispossess fishers and fishers have used their own to resist dispossession. At the same time there are the already mentioned risks involved in primary production that also determine the extent to which dispossession of, for example, small capitalist producers may be desirable to large scale capital. The initiatives brought forward by government and fishers in 1976 helped to improve the relative class position of seiner captains in relation to the processing sector. But it benefitted the processing sector by continuing to ensure it with a regular supply of fish without the need to invest in complete ownership of intermediate scale vessels.

In the next chapter I will illustrate how the tying of the Co-op members to large scale capital made it possible for the small capitalist purse seine captains to maintain legal ownership of their vessels. It helped, however, to make it impossible for small boat fishers to remain in the fishery. The fact that the Co-op could be created with the intention of recapturing some real economic ownership for captains yet soon became a mechanism through which to subsidize the low prices paid by domestic

processors, further indicates the polymorphous nature of capitalism -- the tendency of the system to pervade non-capitalist relations (i.e., the family; see Chevalier, 1982:291-92) or, as in this case, to function in the interests of larger scales of capital in the face of structures designed to regulate and safeguard the rights of other groups.

The policy goals of the Bay of Fundy Project might have been vindicated in the final analysis had the purse seine captains been given adequate protection from the forces of the oligopsonistic fish market and large scale capital. Failing this, however, the fishery was soon plunged into a second crisis which, in combination with other crisis ridden fisheries, prompted another commission. The Kirby Commission on the crisis in the Atlantic fishery was struck in 1982 and the consequences of it, in a sense, complete the centralization and concentration of capital which was the apparently unintended outcome of the Bay of Fundy Project.

Chapter V

The Bay of Fundy Herring Fishery After the Kirby Report:
1983 On

Introduction

In the years after the breakdown of the Bay of Fundy Project high prices for over-the-side sales to East Bloc countries served to buoy the industry. The North Sea stocks of herring began to rebound to the point where European demand for Bay of Fundy herring dropped off significantly. Fortunately for those involved in the industry the Japanese had discovered the Bay of Fundy herring to be an adequate supplier of roe -- a distinctly Japanese delicacy. Over the next few years the demand and the price for herring roe from the Japanese increased sufficiently to all but erase the apprehension about declining European demand. Statistics from 1983 onward show Canada as, by far, the leading supplier of frozen herring roe to the Japanese, with approximately 75% of Canada's exports of roe coming from the Atlantic fishery and most of that from Southwest Nova (Watson, 1988:11).

As long as the over-the-side sales price remained high gillnet fishers seemed satisfied to develop that market; however as the price came down, and it came down quickly as we will see, a fairly priced shore (domestic) market would be required. Failing that gillnet fishers would be forced to adapt a new, more efficient technology to their assured market of over-the-side sales. It was at this juncture that the ghost of the Bay of Fundy project and the new policies

adopted in the latest restructuring of the fisheries crept up on them.

In 1982 there was more trouble in Southwest Nova. A large overcapacity in the herring purse seine fleet continued to pressure the stocks and disperse earnings too thinly across the sector. As part of a broad re-evaluation of the Atlantic fisheries the Kirby Commission was struck and its recommendations brought forward in the Kirby Report. The government's solution was twofold: reduce the size of the fleet and capitalize it (centralize and concentrate). "

The Kirby document set the stage for the development of a ten year plan which clearly subordinated the idea of "net social benefits" to one based much more on economic efficiency in the capitalistic sense. In the words of the Task Force the first objective of restructuring should be that,

"Although the former new policy (from 1976 mentioned earlier) suggested the fishery should yield an optimum level of "net social benefits"; it should be recalled that this policy is the one which spurred on the creation of the Co-op and the related changes of the Leblanc era. In retrospect the Leblanc era seems to have produced little of lasting value to small boat fishers or purse seine fishers; any new found autonomy accruing to seiner captains on the other hand was undoubtedly short-lived. However seiner captains did benefit until recently through a reduction in the seiner fleet size, (although there are a whole set of problems with the way that this was done) and higher prices resulting from the recent years of the "Japanese herring roe boom" which struck the fishery in the past five to seven years. It seems clear that this particular "boom" is over in 1989 and that the seiner captain's alliance with large-scale capital /processors may come back to haunt them.

The Atlantic fishing industry should be economically viable on an ongoing basis, where to be viable implies an ability to survive downturns with only a normal business failure rate and without government assistance (1982:vii).

The Report failed to take account of the fact that most fishers are in fact small boat fishers who rely on their ability to fish a variety of species. Instead, the Report emphasised a vision of large scale vertically integrated fish companies and clearly regards small boat fishers as holding back "development". According to Davis,

There is a bias towards large, vertically-integrated firms with their offshore trawler fleets, and, conversely, a bias against the owner-operated small boat sector, which along with the small local processors, is the mainstay of hundreds of coastal communities. This latter segment of the fishery is treated by the Task Force as an impediment to the development of a viable industry (1984:109).

The post-Kirby underdevelopment of the herring fishery bears out the ideological commitment to capitalism to which both Liberal and Progressive Conservative federal governments have adhered. In later sections I will examine in greater detail the ramifications of the Kirby Report. In the light of the preceding discussion this chapter traces the changes in the herring fishery through the post-Kirby era (1983 on) leading to the complete exclusion of small boat fishers from the herring fishery in 1989. Major events occurring in this period tend to originate with the Kirby Report. They run from the organizing, innovating, and marketing efforts of

the MFU to the purse seine fleet reduction scheme; the capitalization of the purse seine fleet in the wake of the reductions; the almost astronomical increase in the TAC and quotas for seiners; the rise of the Japanese demand for herring roe, and finally, local, large scale capitalist union busting tactics. These changes in the fishery illustrate how class transformations are occurring as a consequence of the state's commitment to development in the fisheries as primarily one where ever larger production units are created (Davis and Kasdan, 1984: 109).

The conditions under which people "make history" are neither chosen nor controlled by themselves, but are instead "transmitted" from the past and produced through the inherent conflict arising between power groups.

[People] make their own history, but they do not make it just as they please; they do not make it under circumstances chosen by themselves, but under circumstances directly found, given and transmitted from the past (Marx, 1972:13).

This does not, however, assume that conflicting or competing groups have equal power or access to equal resources.

Marxist analysis of capitalist society lifts the veil of open competition and allows us to recognize the fundamental importance of property relations in establishing power. In its most basic form power arises from the ownership and control of, or dispossession from, the means of production. Class relations, are therefore fundamentally unequal and antagonistic; they inevitably result in class struggle.

The analysis illustrates two primary arguments. Firstly, it demonstrates how, given special circumstances, property owning, petty bourgeois producers, in this case small boat fishers, can be subordinated and subsequently cut off from production through market monopolization. This has important implications for the analysis of the many other fisheries in the region. Secondly, the analysis provides evidence suggesting a strong link between the state's role in regulating the Canadian fishery and class transformations occurring in those same fisheries. In fact in many cases the state is playing a pivotal and clearly ideological role in the course of fisheries development.

THE MARITIME FISHERMEN'S UNION: A BRIEF HISTORY

Prior to 1983 gillnet fishers in Southwest Nova Scotia had been unorganized; they had historically preferred not to be part of broad organizations primarily for fear of loss of local autonomy,

The fisherman of Southwest Nova Scotia is categorized as being individualistic, traditionalistic, and very concerned with his own welfare. The environment necessary for more effective organization of fishermen has faced serious restrictions in Southwest Nova Scotia (Monroe and Stewart, 1981:33).

They had a history of forming organizations in times of trouble, but always around single issues which once resolved

undercut the *raison d'être* of the group. Other attempts to establish more long term lobbying groups all failed. After gaining support in hard times they would then lose support once improved conditions or the issue/irritant had been somehow resolved. "In many cases the important thing to remember is that the impetus for the formation for these groups did not come from the fishermen themselves, but from government" (Dubinsky, 1987:111). To include the MFU in this group seems at best unfortunate. As Dubinsky (1987:140) himself points out the union had its informal beginnings well before the state, with Romeo Leblanc as fisheries minister, adopted a policy encouraging the formation of organizations capable of representing the views of fishers.

The Maritime Fishermen's Union was formally established in March of 1977 in New Brunswick. The union is one of a variety of organizations which have sought to represent the concerns of fishers and like many others it operates on a model that has not been compatible with the traditional industrial union typology. The union on the other hand recognizes that there are inherent conflicts of interest in capitalist society. The union also recognizes some substantial contradictions/differences between their union structure and other unions. Its members generally regard the fisher as a worker, with many common interests to those of other workers while at the same time recognizing that there are some unique circumstances faced by their membership.

This contrasts with the view of opposing groups within the state, fishing and business communities which regard the small boat fisher as kind of small business person -- for example the Eastern Fishermen's Federation, a government creation, takes this view.

The Challenge of Southwest Nova Scotia

After establishing locals in Eastern Nova Scotia and Prince Edward Island the organization finally penetrated the anti-union territory of Southwestern Nova Scotia in March of 1983. That year a group of about one hundred area gillnetters joined the Maritime Fishermen's Union (MFU) and formed Local 9 based in Yarmouth, a major centre of the Southwest Nova fishery including both the lobster and herring fisheries. There are in fact approximately 400 gillnet fishers in the sub-region (DFO, 1989:11) although not all wanted to join the union, most tacitly support its activities.

While in New Brunswick the MFU later gained the right to bargain with buyers and processors, in Nova Scotia the union has not yet gained that right. There fishers are denied employee status through the Nova Scotia Trade Union Act which classifies inshore fishers as "co-adventurers". In addition, however, there is in Southwest Nova Scotia a great fear of unions for the very reason that some of them go on strike. In Chapter Three I discussed the causes and consequences of the ideology which gave rise to this widespread tendency. Though there are undoubtedly some fishers who hold extreme anti-union views, the vast majority would probably not be in this category. That is not to say that the anti-union ideology (supportive of the power

structure extant in the region) does not affect in a real way a great number of fishers sympathetic to the MFU's goals. One fisher's comment to me seemed to particularly to sum up the pervasiveness of the anti-union ideology and the obstacle that it poses to the MFU in garnering not only tacit support of small boat fishers, but their explicit support in greater numbers.

For the support they've got they've done a wonderful job, I think. Well down here a lot of us have been a little sceptical of unions. You know we read what unions can do and one thing I would never want to get myself involved where I got to have someone say, 'Look you can't go out [fishing]' because the price is not high or some thing like that. I've been supportive of the union. I 've paid my fees, but I told them I never want to be a member, like to join so they could tell me what to do (Small boat fisher Interview).

Yarmouth area local (Local 9) seeks the advice of its organizers, but all decision making ability remains in the hands of the executive which is made up of fishers. Through this mechanism the union ensures, or attempts to reassure its members/supporters, that strikes, even though not legal, are not a real threat and are not on the union's agenda. If some sort of strike action were sought by the fishers themselves the action must receive at least 50% support from the fishers who are involved with each separate species. Only those fishers fishing a particular species could vote on the issue and no union local could force another to strike. In this way MFU locals differ from traditional union forms, especially those of the so-called "international

unions". In Local 9 the union's organizing efforts have centred on issues which affect, for example, gillnetter's market position and therefore indirectly their income. Nevertheless anti-union sentiment remains, primarily as a consequence of the local "red-baiting" tradition. One of the problems that the union has had, organizationally, is that since they have no Rand-formula they have problems with dues collection. However this may have the affect that the union keeps a higher level of mobilization than might otherwise be the case.

Since small boat fishers are represented by no other longstanding, broad-based organization the MFU has in recent years stood as the only voice of small boat fishers. Because of its perseverance in the sub-region, the union has truly been gaining the respect of local fishers and is becoming recognized as the legitimate, independent representative of small boat fishers. ¹² As one local, fisheries journalist stated,

Who the hell are you going to call... call the MFU; at least they represent 260 boats. Who are you going to call when you have Tom, Dick and Harry: you could call nine hundred of them and get nine hundred opinions. That's no... good. So you're going to call the one who

¹²It is widely recognized that Local 9 has gained a significant amount of support for their efforts in the area. Their membership lists in fact represent only a percentage of their supporters many of whom support the policies and objectives of the union, but do not wish to be recognized as "card carrying members" of the union. As one union official noted, they receive regular donations from some fishers in excess of the union membership, but are nevertheless sworn to keep the donators off of all published and circulated lists of supporters.

at least represent a block and usually the combined view of that block... is representative of the other guys (Meuse, Interview: 28 June 1989).

Organizing efforts of the MFU and resistance by inshore fishers was, at the outset, focused on their desire to escape the system of undervalued port market prices offered by domestic processors. What the MFU offered gillnetters was a strong organization that not only was in place to lobby for fishers, but that was in fact controlled by them.

One of the first challenges taken on by the MFU was to capture a greater market for gillnetters in the over-the-side sales program. As Clement explained, the union "challenged the cut announced by Fisheries and Oceans in the gillnet herring quota for over-the-side sales. It managed to get the quota raised from the original 1,000 t to 2,500 t by the time sales closed" (Clement, 1986:151). By 1986 the over-the-side sales quota for the MFU was 5,000 t (DFO, 1986:7). Since the initial successes in the over-the-side sales program the union has faced a variety of challenges from the state and the processing sector. Most of these can be directly linked to the Kirby Report and to its consequences; the specific changes implemented might be termed the "Kirby-ization" of the fishery: the ten year plan, quota guarantees for seiners to be discussed in the following section.

Having established in some detail the class position of small boat fishers in previous chapters I will now move on

to the role played by the state. Further evidence will be given of the interests with which the state, or its officials identify. Finally the implications which flow from the state's position will be examined and the consequences which state policies hold for small boat fishers will be discussed.

The Capitalist State Loves Labour's Loss: The Immediate Results of the Kirby Report, the Ten Year Plan, and A "Free" Enterprise Allocation System

The Kirby Report developed a set of long term objectives which were soon applied to each of the fisheries in the region. A ten year plan was developed specifically for the herring fishery. This long term management plan included changes with respect to purse seine fleet separation, vessel allocation, fleet reduction, vessel replacement, and quality requirements. The fact that this plan was so explicitly aimed at the development of the purse seine fleet indicates the view of state officials that development should, first and foremost, be capitalist. The flaw in this assumption has already been mentioned and will be repeatedly emphasized here. It is that the gillnet fleet represents a sizable group of workers within the fishery, albeit one which operates in a more limited season, and that any policy directed at the genuine development of the fishery ought to take an integrated approach recognizing the needs of the fishers who live in the many small communities as well as the benefits to be reaped from larger scales of production.

Prior to the Kirby Report purse seine captains, operating under the remnants of the Bay of Fundy experiment, shared a fleet quota. At that time quotas were simply the

allocation of the resource as agreed upon by the fishers themselves. There was no trading of quota other than the fleet sharing unused quota towards the end of the season. Quota was in effect thrown into a collective pool that the Co-op could distribute. Rather than being based on the market there was a collective use of the quota by the purse seine captains.

After Kirby there developed a completely market based quota system. The Enterprise Allocation (EA) system of quota allocation has been developed in a variety of fisheries and was adopted as part of the ten year herring management plan. Quotas changed from a resource shared among the fleet to individual transferable boat quotas (ITQs). Enterprise allocation, as the name implies, asserts the dominance of a form of policy which reflects a neo-conservative shift in state policy. "The main purpose of the EA was to provide a mechanism through which the purse seine fleet could be reduced. In 1983 there were forty-nine purse seiners in the Scotia-Fundy Region and 16 in the Gulf of St. Lawrence totalling 65 vessels on the east coast. The goal of the fleet reduction package was to reduce that number to forty

"This is not a fundamentally different ideological position from that of previous governments and ministers including Romeo Leblanc. Even he was committed to the capitalist order, although he cultivated a reputation as a protector of the small boat fisher. Ironically soon after the implementation of the Kirby induced restructuring an even more ideologically conservative force came to power in Canada -- the Mulroney regime.

or less (Aldous Interview, 12 July 1989; DFO,1989:1). By 1988 the fleet reductions reached forty vessels in the Scotia-Fundy Region alone, but as the annual management plan states,

The transfer of quotas has not been fully exhausted; the process of fleet reduction continues...DFO and industry remain committed to the 1983 Herring Management Plan and anticipate that the continuous process of fleet rationalization will lead to greater economic viability (DFO,1989:1).

This market based quota system, it was thought, would end the "race for the resource" by guaranteeing each vessel a proportion of the Total Allowable Catch (TAC). Unregulated the fisheries had befallen an attitude which had been blamed for the immiserization of generations of fishers through the dissipation of rent on this so-called "common property" resource (see Gordon, 1954). In fact under certain conditions a system of individual boat quotas can reduce the race for the resource (most importantly through tight regulation and mandatory weighing of landings). Under "enterprise allocation", however, individual boat quotas can and do cause other problems. In the herring fishery, for example, this has precipitated the concentration and centralization of the purse seine fleet far beyond previous levels creating a small class of relatively prosperous "Cadillac" fishers while at the same time effectively ending the participation of fishers operating out of the household unit of production. Policies which produce ends such as this

reflect the perspective of state officials, a perspective that is often implicitly, if not explicitly, supportive of the existing set of class and power relations.

Writing of the enterprise allocation system in another fishery Sinclair states that,

While the government's management plan [individual boat quotas] allows companies to allocate their resources more rationally, it has the disadvantage of making it nearly impossible for others to take part in the fishery and it assumes that companies will report catches honestly (1988:168).

Enterprise allocation systems change state property into private property (See Clement, 1986) which can be sold on the open market. Since the market is highly restricted the cost of quotas is well beyond the ability of working class fishers to pay. This ultimately ensures that the largest quotas will become the property of capitalist, often large scale capitalist, producers. Here Sinclair also raises the issue of catch reporting, an issue of particular importance and one that is particularly infamous in the purse seine fishery.

Under the enterprise allocation (EA) system each purse seine captain has a specific boat quota based on the size and mobility of the vessel and equalling a specific proportion of the Total Allowable Catch (TAC). Each boat's quota could be sold to other owners whose vessels were in

the same Class¹¹, but none could amass more than a total of 4% of the TAC. This would facilitate the much needed reduction of the fleet, but what it also did was to begin a radical transformation of the purse seine fleet from that of small capitalist loosely tied through informal arrangements to the processing sector to one with much more direct processor interest through investment. The regulations outlining the purchase of quota were often significantly more costly than simply the purchase price of the quota. For example, quality requirements placed on the purchase of quota stipulated that, "all purchasers must install or have a circulating fish chilling system to enhance landed quality in keeping with the quality improvement program [QIP]" (DFO, 1983:4). The effect of this regulation was twofold; it constituted an extra expense that was a barrier to owners of the smaller, older purse seine vessels and it made processor involvement, through share buying, more likely or more substantial than had been the case in the past. The policy clearly favoured the acquisition of much more highly capitalized vessels; this is in fact what has occurred, but not without a concomitant rise in processor interest.

¹¹There are three classes of purse seiners in the region. Class A vessels are fisher owned with no history of participation in the 4W area during the years 1980-83 and are consequently considered to be non-mobile. Class B vessels are fisher owned with a history of participation in 4W in the years 1980-83; they are mobile seiners. Class C vessels are wholly processor owned. See Appendix for map showing area 4W and others.

The buying out of quota illustrates a mechanism through which purse seine captains were "capitalized" [as opposed to proletarianized], that is, changed from somewhat smaller sized vessels with a minimum of high technology investment to larger vessels (especially in terms of holding capacity) with the most advanced technological developments in fish finding and navigation as well as, and perhaps most importantly, the introduction of on board refrigeration systems for the chilling of the catch.

In the summer of 1983 boat quotas valued at as high as \$250,000 began to change hands in selling (DFO,1983:3). Because of the magnitude of the price it was necessary that they were financed in part by the major processing companies in the region. This served to further subordinate the largest and most productive purse seiners to the large scale capital of the region's major processors, while the smaller vessels exited the industry. The market based quota system was consistent with the renewed commitment to the free market ideology to which the state was already committed, but for which it found new legitimacy in the, by that time well developed, neo-conservative era.

Another part of the fleet reduction scheme was the establishment of a moratorium on the new licenses for purse seine vessels in both the Scotia-Fundy and Gulf regions. This would ensure that the centralization and concentration of the purse seine fleet could not be reversed until the

fishery had achieved a much greater level of profitability. Unfortunately, as I will shown, when gillnet fishers attempted to improve their economic viability after losing shore markets this regulation was used against them.

Aside from the development of a market based quota system another indicator of increasing capitalization in the herring fishery can be gained through the analysis of changes in the size of purse seine quotas in recent years and how rises in resource availability were distributed. Figure 5.1 illustrates the growth of the quotas available to each class of purse seine vessel.

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In 1980, for example, the average boat quota was 1,080 t; in 1989 the boat quotas range from 2,419 t for Class A (non-mobile) to 6,048 t for Class B (mobile) and Class C, from more than two to six times as much. What Figure 5.1 illustrates in addition to the general increase in purse seine boat quotas is the excessive increase in the quota for mobile vessels. Mobile vessels are the largest of the purse seiners. Here again it is interesting to note that the greatest advantage in terms of quota distribution went to the largest scales of capital.

Such significant increases in resource availability might have been used to encourage greater small boat fisher participation. For example, instead of increasing quotas so significantly small boat fishers could have been afforded a percentage of the TAC. Since domestic processors were less willing to buy from gillnet fishers (one main complaint is that quality is not sufficient¹⁵) a policy incentive could have been put in place which would ensure small boat fishers a market for their catch. In addition to the rise in individual boat quotas for purse seine vessels there was a corresponding rise in the total allowable catch (TAC). Figure 5.2 illustrates that development; there was almost a doubling of resource availability in the past decade.

¹⁵ A study of both gillnet and purse seine herring catches was undertaken in 1987 which showed little quality difference between the two fishing methods. In some cases gillnet fish was, in fact, found to be slightly superior (See Isnor and Landers, 1987).

FIGURE 5.2
GROWTH OF THE TAC, 1979-1989.

Source: CAFSAC Document 88/21.

This represents a significant increase in the amount of fish available to be caught. The rise in the size of the stocks can be explained by several factors. One of the most important seems to be the decline of groundfish stocks. Since herring are normally preyed upon by groundfish, with fewer numbers of them in the region, herring stocks have been rebuilding. The rise in quota given to the purse seine sector is significant because it reflects decisions on the part of government officials that the purse seine fleet should gain higher levels of the resource. The alternative would have been to develop a policy that would share the growing resource among a broader group of fishers instead of focusing only on the capitalist class.

The ten year plan put in place other long term regulations which were detrimental to the participation of gillnetters. One of these is that fisheries officials under the direction of the government decided that the purse seine fleet would in future be guaranteed 80% of the TAC leaving 20% to be divided between other gear-types (gillnets, weirs, traps, shutoffs, mid-water trawls). This represents a significant change from the previous norm, for example, in 1978 purse seiners operating through the Co-op marketed only two thirds of the entire Atlantic catch (Monroe and Stewart, 1981:101) and in 1980 gillnet fishers accounted for one-third of all herring landed ashore in this part of Nova Scotia (Sou'wester, 15 July, 1989:1). Historically the

catch of purse seiners has varied considerably since the 1960s, "Seines of various types, but principally purse seines, accounted for about 25% of the total catch in 1963, but nearly 80% of it in 1968" (Comeau and Bellefontaine, 1981:3). In the 1982-89 period purse seine vessels harvested about 72% of total reported landings, weirs fishers harvested 20% (although these largely consist of the immature herring used for sardines) and gillnet fishers got 8% (DFO, 1989:13). These shifts over time in the share of the catch taken by gillnetters in comparison to the purse seine fleet are graphically illustrated in Figures 5.3 and 5.4 .

FIGURE 5.3
Herring Catch By Gear Types, 1975-80

FIGURE 5.4
Herring Catch By Gear Types, 1983-89

It is useful to look at the split between gillnet and seine caught fish since these are the major technologies used to capture the adult herring. When this is done we can see the changes in landings between these two classes of fishers. There have been massive changes in the catch share or catch distribution between gear types in the 1980s. The greatest changes have taken place since the Kirby Report (1982).

Figures 5.3 and 5.4 demonstrate the relative stability of gillnetter participation in the pre-Kirby era and their decline after the establishment of the 1983 ten year plan, from an average of 13.0% 1975-1980 down to 0 in 1989. In this sense the state has had a highly determinate role in terms of establishing which class dominates the fishery. The ten year plan is an important cause of this transformation because it establishes and legitimizes an increasingly inequitable division of the resource.

We can see that gillnetter proportion of the catch dropped off considerably beginning in 1983. As gillnet fishers informed me it was widely known that they required payment for their entire catch. This contrasts with the practice that processors developed with purse seine captains. The set of relations that they have are best explained by the new definition of formal subordination which I have adopted. Under these relations purse seine captains would be paid only for a percentage of their catch

ostensibly because of quality considerations. They nevertheless survived quite well by comparison to small boat fishers because they caught such large quantities of fish, a result of higher (and effectively unregulated) quotas. In other words high and unregulated quotas made it easier for them to sell their fish at less than its market value while at the same time surviving the exploitive relations that they have with processors. Another important facet of their survival is, of course, linked to the more traditional use of capitalist relations of production vis a vis crew members.

The process of decline experienced by gillnetters is particularly useful as an example of how the class system works to the advantage of larger scales of capital and how the capitalist state favours more capital intensive groups. To some economists and state policy advisors this would seem a perfectly normal and healthy occurrence -- the invisible hand of the market regulating who fishes. On closer examination, however, it becomes clear that there is, in the first place, no free market. In fact most of the strategies used by capitalists in this (and many other) fisheries are those which have the singular purpose of avoiding the "free market", i.e. competition.

Under-Reporting Under Mandatory Weighing ?

One factor which has truly hurt the participation of the gillnetters has been the seiner's ability to catch large tonnages and under-report them. The reasons for under-reporting are complex; however, the most important of these are saving of quota by seiner captains, below price buying by processors and government unwillingness to police its own regulations, not to mention change them. Here I will deal with each in turn although they are part of a whole process.

Under-reporting by purse seine captains has to be understood as intimately connected to the power relations existing between captains and processors. With the Kirby Commission reporting that at least 65% of seiners were partly controlled by processor interests (Kirby, 1982:331), the past eight years of the costly upgrading of vessels, and the past seven years of governments which favour large scale capitalist production over other forms, it seems understandable that processor ownership should have grown in significance. The structure of this set of relations is discussed in Chapter IV and again is important here. Because of their subsumption by processors seiner captains are faced with the dilemma of either finding another market for the fish or selling it below its actual value to the processor to which he is tied through formal or informal means (i.e., through loans). According to one crew member on a purse

seiner this is done in a variety of ways each having to do with the amount and/or quality of the catch. For example, when captains confront processors at the port market no fish is weighed. After observing the catch the two parties come to a multi-levelled agreement. First an agreement on the approximate tonnage, then the processor/buyer may make an assessment of the quality of the catch. For example, the processor/buyer may say that 30% is too small or that some other quality factor is poor. The processor/buyer then may make an offer of payment for 70% of the catch. Without other markets, and with ties to the particular processor/buyer, captains who do not have other sales opportunities are nevertheless, as economists would say, "free" to make deals in order to sell their catch. It has been suggested by some local industry people that the ties that exist between processors and captains are weak enough to allow captains the right of refusal for any offer from a processor/buyer and that if captains can get a better price from elsewhere they may do so. It would be difficult to know if this is actually the case without a detailed inside account of this aspect of captain/processor relations. Indications from participants within the industry suggest that because of the structure of the processing sector it is unlikely that processors need to compete in a price war to purchase the catch of purse seine captains. Purse seine captains have so much quota that they can give up some of the value of their

catch and still survive quite well by virtue of the reduced concentration of the fleet and the slightly higher prices that roe herring commanded in its first few years.

Today, in the aftermath of the Kirby Report, several purse seine crew members estimated that, because of years of increased capitalization of the purse seine fleet, most of vessels are partially controlled (with an estimated average of 20%) by the processing sector. Legal ownership remains with the purse seine captain, but in these instances, legal ownership has been separated from economic ownership and control "a la Poulantzas". Sahlins agrees and has also concisely put by way of example the variable nature of ownership and property rights which establishes its usefulness to production relations in the fisheries, especially the present state of the herring fishery.

A stockholder in A.T.&T. believed himself endowed by his five shares to chop down a telephone pole placed noxiously in front of his picture window. Anthropologists have likewise learned by experience to separate various rights of property -- income, use, control -- inasmuch as these may be divided among different holders in the same thing (1978:92).

Legal ownership does not necessarily equate to control and vice versa.

The transfer of effective economic ownership and control to processors came about as processors sought to take maximum control of the fishery with minimum investment. They used their knowledge of the industry and its regulation by the state to gain a greater monopoly control on the

industry thus affecting the ability of the small boat sector to participate. However important the initiative of processors was in furthering their economic interests the transformation process that occurred was one which the government allowed, indeed fostered as a consequence of the Kirby Report.

The other part of the problem, already alluded to, has been the lack of commitment on the part of the state to regulate the fishery that it has, in effect, turned over to the processors. In this case inaction on the part of the state may be characterized as a sin of omission rather than one of commission. In one government document on this fishery the TAC from year to year is estimated to range between fifty and near one hundred per cent of the actual amount of fish taken -- so the TAC may reflect as little as fifty percent of the actual fish caught (DFO, 1988, CAFSAC:1). In an interview with John Kearney, he pointed out that there are regulations for the mandatory weighing of purse seine catches, but that these are not enforced, nor have they ever been enforced as he said,

when this policy was first implemented [the ten year plan]... in 1983 part of the integrity of that program was the mandatory weighing of fish and it is now 1989 and there has been not a single fish weighed under mandatory weighing. (Kearney Interview, 28 June 1989)

Since no weighing was in fact being done ostensibly because of cutbacks in DFO personnel, captains were able to "save quota" by under-reporting their catches. The motivation for

saving quota was economic; it had to do with the nature of the international market which was developing in the early 1980s as well as the nature of purse seine captain and processor relations. In order to ensure that a vessel would be in good shape for the beginning of the roe season purse seine captains would save quota from the less profitable parts of the year; this is done in order to ensure that they would have as much quota as possible available to be caught during that roe season, recently the most profitable part of the year. It would not pay to catch the quota before the most profitable part of the year -- no purse seine captain would be caught "sitting out" during a large portion of the roe season. Since no mandatory weighing was taking place reported catches were based on the bargaining between captains and processors. The race for the resource could not be ended as long as the market based quota system was in place with one of its main regulatory mechanisms inactive.

Mandatory weighing of the catch would not immediately affect the current marginalized position of gillnet fishers. It would, however, begin to put some actual limitation on the resource exploitation of the purse seine/processor fleet. It would also at least symbolically show that the state has not completely relinquished interest and control of the fishery to this sector of the industry.

Unequal Class Effects

The herring fishery has been one which has been particularly oligopsonistic, some would say there is "no market" only a dividing up of political favours (See Clement, 1986 and 1988), the participation of any one group, whether dominant or secondary, is highly determined state policies. Prime examples of this have been expressed through the states handling of over-the-side-sales and other regulatory mechanisms which limit where and when small boat fishers can fish.

As noted previously, small boat fishers using gillnet technology are limited primarily to Trinity Ledge and a few other areas like Gannet Rock, Green and Seal Islands. These areas are only fished when large concentrations of herring congregate; something that had not been happening in recent years to the extent that it had in the past. This has posed several problems for small boat fishers, not only because of the recent history of over fishing in that area, but by the solutions that the state imposed. The ban on fishing at Trinity Ledge serves as a useful illustration of the class bias inherent in much state policy in the fisheries. While a purse seine vessel can catch as much as 200 tonnes in one set a small boat using gillnet technology can in a good night of fishing catch only around 10-15 tonnes. If Trinity Ledge was over-fished, John Kearney points out, the purse

seiners were largely responsible. Purse seiners have intensively fished this area threatening the stocks. Recent bans on fishing in the area, however, have affected the two competing classes of herring fishers quite differently; they have proven unequal and ineffective. Fisheries analysts could clearly recognize this, but when the MFU lobbied for a ban on purse seine fishing the processing and purse seine sector then began its lobbying efforts. Their pressure at the political level produced an "equal" arrangement partially banning fishing by both groups even though it was clear that the small boat fishers were not threatening the stocks on the spawning grounds.

Purse seine vessels have the capability to fish in many other areas and in deeper water. Gillnet fishers can only fish in areas like Trinity Ledge. Based on this understanding of the problem an unequal policy could be the most beneficial; allowing small boat fishers to work in one area while larger vessels work in other areas more suited to their capabilities. Further lobbying, at various levels including at the Scotia-Fundy Herring Advisory Committee, by the large scale capital sector resulted in a final "compromise" on a ban which would safeguard the interests and profits of the purse seine sector. Fishing on Trinity Ledge would be banned for three days per week.

The problem as explained by the MFU Policy advisor, John Kearney, has to do with the consultative/advisory model

of fisheries management and the political power of respective groups in conflict. The mechanism through which all interest groups are heard is the Scotia-Fundy Herring Advisory Committee. This committee cuts clearly across class lines. The evidence which I have gathered suggests that although the mechanism is there to allow concerns of all to be heard, when one party vetos a proposal by another organization within the committee the DFO is in a position to impose a solution. At the level of the advisory committee the power of the purse seine/processing sector and the propensities of the state are brought to bear. The imposed solutions strongly tend to benefit the most economically powerful groups.

The role of the advisory committee in this particular dispute was crucial at several points. With respect to the Trinity Ledge issue, the banning of purse seine vessels for three days per week did little to actually protect spawning herring because it only produced a redoubled effort by purse seiners during the other four days of the week. Since one or two days would likely be taken off per week in any case, the ban may have only actually decreased the previous fishing effort by as little as one day. Without banning fishing by purse seiners the stocks on Trinity will probably not rebuild sufficiently to allow for gillnet fishing. The consequence for small boat fishers was concisely put by John Kearney,

We are at a complete standstill right now. Where we can fish, [i.e., Trinity Ledge] there are no fish. The market that we can get in terms of over-the-side sales with the Russians is not enough to be attractive to the gillnetters and the processors have a strangle hold on the shore market (Kearney Interview, 23 June, 1989).

Had the state not been committed to a model of fisheries based on increasingly large scales of capital they would have been much more likely to take a position on this issue which would facilitate continued participation by small boat fishers without really damaging the long term viability of the purse seine sector. A move which allowed small boat fishers to fish on Trinity while banning purse seine vessels would have been vigorously opposed by the large scale capitalist sector, but such a policy would without much doubt have maintained the viability of each. Such bannings, although not unknown in the past (Kearney 1983) were not accepted or even given serious consideration because they would inhibit the growth and development of the large scale sector in this fishery. The rejection of such an idea, however, did not explicitly take place on these grounds; instead such ideas were rejected on the grounds that they would interfere with the free competition both on the fishing grounds and on the market.

The arguments that I have been making concerning concentration and centralization, under-reporting, and so called equal treatment of capitalist and small boat fishers (but with unequal effects) illustrate specifically how state

policies have been a major cause of the termination of small boat fisher participation. This type of policy blindness toward the social consequences of fisheries policy seems overly determined by a free market economic ideology. The problem that I, and many others, see with this kind of ideological stance is that it is entirely inconsistent with the stated policy intention of the fisheries department which is to create the optimum net social benefits from the fishery.

I obviously dispute the very eroded definition of economic efficiency held by free market economists." Such economists in my view need to rely less on the static models of economic theory and more on the understanding that economics is grounded in relations between groups seeking either to reproduce their means of production or accumulate capital. Such an understanding is one of Marx's greatest theoretical achievements. It emphasizes what I call social efficiency. As an economic concept social efficiency is simply a term I use to unmask the problems inherent in basing economic decisions only on considerations relevant in the free market (which in reality does not exist) forgetting that market relations are relations between people. Clearly what would be more socially efficient in the case of

"For a critique of modern economics and how it has been "emptied of the political" in preference for the analysis of quantities in free markets and the support of the status quo.

gillnetters would be to guarantee them a percentage of the entire herring TAC and if necessary enforce a separate price for their fishery. They would then be able to participate in the over-the-side sales or even the shore sales to domestic processors if certain conditions were established linking the proportions bought from purse seine captains to those from gillnet fishers. Such a system would not threaten the purse seine fishery because of the smaller catch capabilities of gillnetters and could conceivably be worked out by the fishers themselves with a minimum of government involvement if appropriate regulatory mechanisms, most already in place, were used effectively.

The MFU's Proposals

The MFU gillnet fishers had been losing access to shore markets over the past several years. The guaranteeing of 80% of the catch to the purse seine sector; the failure of the state to enforce its mandatory weighing regulations; the growing quotas and capital backing of purse seine captains by the large scale capitalist processing firms all led to a weakening of their place in the fishery. Gillnetters nonetheless had a significant market selling mainly to the Soviet Union's factory ships through the over-the-side sales program. However as these prices fell in the mid 1980s the number of gillnet fishers also began to fall. Figure 5.5 illustrates the fall in over-the-side sales prices from 1982-89.

FIGURE 5.5
Over-the-Side Sales Prices: 1982-89

Sources: Various

The MFU, on behalf of the small boat fishers, began to have difficulty supplying enough fish to the Soviets to keep them working. With the traditional gillnet technology they were not catching enough. In the struggle to remain in the herring fishery the MFU came up with a proposal which would adapt more efficient technologies to their small boats. This would enable them to catch enough to keep the Soviet ships supplied and in the area. The MFU proposed that the DFO issue 5-10 experimental licenses to small boat fishers (Zinck, 1989b:16). These would consist of either ring netting or pair trawling. Briefly, in ring netting one end of the net is anchored while the boat circles the school. In pair trawling two vessels drag a net through a school of fish. The proposal was turned down. How did this happen? The DFO took the proposal to "consult with the industry". The explanation given to the MFU was two sided and not without contradictions. First it was suggested that experimental licenses such as these would breach regulations in the long term management plan (the ten year plan ending in 1993).

As already pointed out one facet of the ten year plan was devoted to purse seine fleet reduction. Part of this policy stipulated that no new vessels be added to the purse seine fleet. The ultimate importance of contravening a policy is highly questionable; policies are contravened every day as anyone involved in the fishery well knows. It is also unlikely that the proposals were turned down for

reasons of stock conservation -- stocks had been growing for several years. Since herring are food for ground fish their numbers were rising as a function of the reduced groundfish stocks (over fishing). Neither was economic viability a major concern, the purse seine fleet in its newly capitalized form was doing quite well.

The senior advisor for pelagic species himself did not believe the MFU proposal was turned down because there were not enough fish,

The resource availability in our region has gone from 83,000 t in 1983 to something like 151,000 t in 1989 so I don't know whether that objective [stock conservation] still makes sense. There may be room for more purse seiners especially as the market develops (Aldous Interview, 12 July 1989).

Clearly policies are not sacrosanct, especially when their objectives, for whatever reasons, have already been met.

The above quote correctly emphasizes the importance of markets in this fishery; it also reveals the "purse seine-centrism" of DFO officials. "As market develops" more purse seiners will be allowed in with the re-entry of small boat fisher participation not worthy of mention.

The second and more important reason for the dashing of the proposal had more to do with political considerations than those of policy. The problem as explained by the MFU Policy advisor, John Kearney, had to do with the consultative/advisory model of fisheries management and the political power of respective groups in conflict. Through

this model of policy development the most powerful groups have several clear advantages. They have greater potential for high level lobbying (Sea Food Producer's Association of Nova Scotia, Halifax; Fisheries Council of Canada; Ottawa) and closer social as well as economic interests to those of the state elite than do small boat fishers. What happened to the proposal was that state officials "consulted with the industry", since processors and purse seiner captains are the only other interest group in the industry (and now more than ever their interests are in effect one and the same) they acted to protect their interests by saying no to their competitor's attempts to advance their economic position. They viewed the advancement of the small boat fishers under the auspices of the MFU to be a threat to their developing domination of the fishery. DFO's response to the MFU proposal was that they consulted with industry and industry said "no". The frustration of small boat fishers is echoed through Local 9's policy advisor.

What kind of consultation is that? What kind of policy in favour of small boat fishermen is that? When [there are] hundreds of inshore fishermen ... [and DFO] don't consider you part of the industry. They consult the other 10% of the industry who controls 90% (Kearney, Interview 23 June 1989).

It is at this political level that major class differences become apparent. This is also apparent at the policy implementation level. Such policies have traditionally been highly flexible to account for unexpected emergencies, but

they often operate to the detriment of small boat fishers. In the opinion of DFO officials the ten year plan would be contravened by allowing gillnet fishers to use alternative technologies. When the 1989 herring roe market dropped off, however, special quotas were given to the purse seine sector to make up for their lost sales. Small boat fishers recognized the different treatment of the larger vessels.

The DFO recently released a management plan for Atlantic mackerel and purse seiners received 24,000 t of the 100,000 t quota...'It is gradualism bit by bit the DFO is opening the door to other fleets to deal with mackerel,' MFU executive Mike Belliveau said (Sou'wester, 1 May 1989:11).

Half of the above quota 12,000 t went to the purse seiners of the Scotia-Fundy region. Although purse seine captains and processor interests in fact represent fewer votes in raw numbers than the small boat sector their class power toward the state has been proven to be greater in these instances and, as I have shown, in several broader struggles as well.

Purse Seining After Kirby: Survival of the "Largest Capital"

Since the 1970s the purse seine fishery has itself been transformed from a relatively small scale fishery to a large scale capitalist fishery. Since 1984 five of the Scotia-Fundy Region's fleet of forty purse seiner have been replaced. While others have required upgrading as well, these new vessels embody the changing relations between purse seine captains and processors and have resulted from what I would refer to as the Kirby-ization of the fishery. This is another word for "capitalization". Compared to their counterparts of the 1960-1976 era the new purse seine vessels are a bona fide large scale fishing technology. The old seiners were designed to catch, but not to carry the fish that they caught. Special carrier vessels were often used for that. Now they carry most, if not all, of what they catch.

Also since a variety of stocks were threatened in the 1970s and early 1980s the purse seine season has changed. Fishing on George's Bank ended as early as 1977 (Bickerton, 1983:136), those stocks are rebuilding. Southwest Nova Scotia purse seine captains no longer go to fish in the Gulf of St. Lawrence or Newfoundland because of drastically declining stocks. Since the Kirby Report the season starts the first of June at the earliest in the main Bay of Fundy and over-the-side sales are pursued until the herring roe

season begins in August. By the middle of September the herring roe season is over and more over-the-side sales may be done until October 1 when they have two small quotas for sardines near Grand Manan. Then from November to January there is a quota in Chedabucto Bay off of Cape Breton. As the weather worsens it begins to inhibit this fishery and by February the markets dry up. Then the purse seiners stop again until June. There are signals that those controlling the purse seine sector are attempting to establish an offshore fishery off Western Bank on the Scotian Shelf during a part of the February to June "down time" period, but at the time of writing such a plan was not well developed. If this were to occur, and I expect it will, it could lead to strengthened entrenchment of the purse seine sector under the domination of large scale capital. A new quota offered by the state which would decrease "down time" might make this fleet more attractive to large scale capital. Such an eventuality would increase the productivity by decreasing the "down time" of the purse seine fleet -- a significant obstacle to large scale capitalist development. A conflict that may arise from this is that since most crew members on purse seiners have other income during the "down time" period (i.e., through the, still relatively lucrative, lobster fishery) they would probably resist the change, though as wage labour they would ultimately have little or no choice.

The Processing Sector After the Kirby Report

As pointed out in Chapter II, I have divided the processing sector into two general categories -- large scale capitalist firms and small scale capitalist firms. Large scale capital, in this sense, refers to the vertically integrated fish processing companies which developed relations of formal subordination without dispossession from the means of production between themselves and purse seine captains. These appropriation relations entail economic control, but not full possession or legal ownership (Chevalier, 1983; Clement, 1984). The herring processing sector in Southwest Nova Scotia which is now geared toward roe herring production is characterized by the dominance of two large scale capitalist firms; a large number of very small processing operations; and a few operations that are slightly larger than the "back garage" style, but still can be considered as small scale capital. "The roe fishery spawned a number of new entrants to the fish processing industry with 'garage' sized companies springing up all over the place" (Sou'wester, 1 February 1990:7). These small scale processors developed as a result of the short but lucrative herring roe season. They provide the industry with the extra processing capacity required during the glut period in July and August without investment by the large scale processors.

The two latter types of processing operations are what may be called "feeder plants"; they process the fish, but rarely market large proportions of their production. Instead they tend to process for, and ship directly to, the largest firms. Any comparison to the Boston fresh fish markets in terms of the perception that there is a fundamentally similar type of competitive market for herring in existence is not valid. Rather than there being a relatively competitive market for the fish there tends only to be one market during any single season of the year (i.e. the Japanese comprise the only market during the summer herring roe fishery).

The vast majority of these feeder, small processing plants come under the sway of the largest firms. Their relations with the large processors may be described as similar to those between purse seine captains and large processors. Sometimes, though not always, the large processors may hold a small percentage share in the feeder plant processing firms. This may be gained through start up costs, the lending of old equipment, or other formal means. The owing of a share to the large scale capitalist firm may be considered a cost of production by large scale capital. They do not need to invest deeply in these small scale plants except to the extent that small scale capital requires it to reproduce and large scale capital benefits from their continued existence because it relieves them of

seasonal investment, upkeep, and supervision of labour costs. The herring roe markets are sufficiently tight that small processors process mainly for the large processors. I have established already that the relations between large scale capitalist processors and purse seiner captain may be described as ones where purse seine captains are subsumed by large scale processing capital.

There is a growing trend in this fishery for purse seine captains, already subsumed by large scale capital, to become involved in the operation of these small scale processing firms. The implications in terms of a broad analysis of the fishery are those that reflect the linkages between the small and large scale sectors of the industry and the domination by large scale capital. This is one of the many issues currently undergoing substantial change at present and it therefore deserves a separate analysis.

The control wielded by the large scale capitalist firms over the small scale firms (small processors and most purse seine captains) became evident when, seeing that they had the gillnet fleet in a vulnerable position because of falling over-the-side sales prices, they curtailed their buying from the small boat fishers. Exactly when they stopped buying is not clear. It seems that buying was curtailed over a few years probably beginning around 1984 when the MFU had firmly established itself as a force to be

reckoned with in the over-the-side sales program. The strategy seems to be another form of union busting tactic.

As already explained, the falling over-the-side sales prices in 1984 and beyond made it necessary for small boat fishers to either find other markets or catch larger quantities to keep the Soviet ships supplied. The large firms then developed a strategy which would further immiserize small boat fishers. For example, in 1987 they let it be known that small processors were prohibited from buying herring from small boat fishers. At one point that year, two fishers explained that,

We split up, half of the boats went to Sweeney Fisheries the other half went to Cape St. Mary's [to sell their catch] and the seiner captain...told the plant owners that if they bought one more gillnet fish that they wouldn't supply them any more with the seiner's [fish] (Small Boat Fisher, Interview).

The larger processors had two important mechanisms through which to actually enforce their control over small plant owners. These operate at both the delivery of the raw commodity and at its resale to those who market the semi-processed product, the large scale processors. Firstly, their economic control over the purse seine sector allows them to influence where the catch of purse seine vessels is delivered -- to their plants first, then to smaller plants beginning with those with the closest ties to large scale capital, then to others which have weaker ties, but who maintain good relations. Secondly, being the only major

buyers and marketers of herring in the region they are able to economically sanction any small processors who defy their plan for the development of the fishery. Through this mechanism, even if small processors were willing to buy fish from a group of gillnet fishers, and several were, they would not be able to sell it because, again, the only major buyers of the commodity with a final market are the two main large scale capitalist firms.

Conclusion

Whereas in 1982-83 there were as many as three hundred gillnet fishers their numbers rapidly declined. By 1987 only thirty-five participated in the over-the-side sales and in 1988 fifteen started the season with only eight continuing after the first week. In 1989 having no shore markets for herring and too low a price for over-the-side sales (\$155.00 per tonne) the gillnetters for the first time were completely excluded from the fishery.

Low over-the-side sales prices and the dashing of MFU's proposals for increasing their catch in 1987-88 meant that the vast majority of small boat fishers would not be able to afford to participate in the fishery. As a local newspaper headline noted, "Gillnetters shut out of herring fishery -- no markets" (Sou'wester, 15 July, 1989:1). Although small boat participation in the herring fishery will be remembered as ultimately ending in the summer of 1988, the beginning of the end has to be marked by the Kirby Report. Even with the high level of mobilization effort on the part of the MFU which was occurring at that same time the obstacles to their participation -- the state's policies and the strategies of large scale capital -- brought them down. The MFU remains highly mobilized around other fisheries issues like lobster and groundfish.

Since the market for small scale capitalist herring processors is virtually only the large scale firms there is

a significant relation of capitalist underdevelopment here which the large scale firms seek to perpetuate for their own benefit (See Veltmeyer, 1979). Recent transformations in the herring fishery represent a continuing degradation of the small boat fishery in general. Under present forms of state control it is likely that small boat fishers face permanent exclusion from the herring fishery with many facing the likelihood of actual proletarian situations if other important fisheries (i.e., lobster) confront either stock decline or weaker markets. Exactly when and how proletarianization may take place is an empirical question and one not yet determined for the broad small boat fisheries. This case study does demonstrate that there is a clear pattern emerging with the lobster fishery being the last and most important stronghold of the small boat fisher.

Chapter VI

Concluding Remarks on the Bay of Fundy Herring Fishery

This class analysis has revealed the unequal social relations of production that exist at the port market and which constitute a variation on the classical Marxian form of capitalist exploitation. It also linked the development of state policy to the role of the state in capitalist society and illustrated the non-neutrality of the state. I argued that while the state may establish policies which from time to time benefit small boat fishers directly. They are nevertheless committed to an ideology which ultimately is hostile to the continued existence of small boat fishers as an independent and integral sector of the fishery, instead giving priority in most cases to large scale production. Although there are times when large scale capitalist producers find it advantageous to have the small boat sector sustained, this was not one of those instances.

Broadly, the past decade of change can be described as a time of intense class struggle culminating in centralization and concentration consistent with Marx's analysis in Capital (1986:582-89).¹ Analyses by economists

¹Marx's analysis of the growth of capitalism focuses on this aspect in a number of passages. For example, "The transformations of the individualized and scattered means of production into socially concentrated ones, of the pygmy property of the many into the huge property of the few, the expropriation of the great mass of the people from the soil, from the means of subsistence, and from the means of labour, this fearful and painful expropriation of the mass of the people forms the prelude to the history of capital" (Marx, 1986:714).

and the state often suggest that since small boat fishers either do not depend on any single fishery (except possibly lobster) their participation may be considered inherently marginal in addition to being inconsistent with the demands of capitalist rationality. In fact this is the kind of analysis which I heard during interviews with two federal Department of Fisheries and Oceans officials. The implication is that small boat fishers are a remnant of an outdated form of production. This kind of analysis also asserts, although it does not use such clear language, a capitalist class analysis. Such an analysis reveals only capitalist fishers and fish companies as legitimate and useful members of the industry. A legitimation of this praxis in the modern fisheries is articulated in the Kirby Report (see Davis, 1984b).

I would point out that small boat fisher participation is in reality a part of a broader survival pattern, that of simple commodity production (Connelly and MacDonald, 1989:67-71)¹⁸. Small boat fishers as we know them may end their participation in additional fisheries unless state

And the history of capital, according to Marx, leads ultimately to the negation of the negation, or the destruction of the system itself.

¹⁸Connelly and MacDonald's (1989:77; 1984) important work on the need to take into account the often distinct class position and interests of women who share households with fishers also point out the complexity of class relations when individuals take part in a variety of subsistence activities throughout the year.

policy goals fundamentally shift. In order to accomplish this fishers must mobilize as never before or face a further state of underdevelopment in the future. Shifts in state policy giving advantage to small boat fishers will occur only as a result of intense political action ranging from lobbying efforts in the capital to civil disobedience on the docks. Marginal shifts in state policy, however, will probably not be sufficient to stem the tide against the small boat fisher. The state may need to be forced into adopting a new and different understanding of the concept of efficiency, especially when applied to fisheries. A new definition of efficiency emphasizing the social instead of the hegemonic, capitalist economic rationality. My research findings suggest, by adding evidence to a general pattern already well established, that a social as opposed to economic efficiency must be applied in the Atlantic fishery or fishers face increasing marginalization and ultimately the threat of full proletarianization.

Now that gillnet fishers have lost their markets, both over-the-side sales and shore sales to domestic processors, it is highly doubtful that they will be able to re-capture them. What is of most concern to small boat fisher with whom I spoke is the state of the lobster fishery -- the source of a high proportion of their yearly income. For the past several years it has been producing large catches and relatively high prices. However if the lobster fishery takes

a drastic downturn, either in terms of stocks or simply prices, small boat fishers may again need to rely on other fisheries to make up some income. Unfortunately for those in Southwest Nova Scotia when they need the herring fishery again it will not be there. They will have lost their quotas for over-the-side sales; their fishing grounds are overfished; and they have been excluded from the shore markets which are not going to open up when they need them.

As fisheries become increasingly fragmented, specialized, and capitalized the implications of this de facto dispossession (not from the means of production, but first from the value of the catch and then from resource access) will become clear. Small boat fishers will increasingly find it difficult to operate in a variety of fisheries and will eventually (if this is not already the case) be confined to one species or none at all.

The State and Capital

At this point it should be reiterated that seiner captains are themselves faced with a significant amount of coercion at the port market. With the Kirby Commission reporting that at least 65% of seiners were partly controlled by processor interests (Kirby, 1982:331); the past eight years of the costly upgrading of vessels, and the past

seven years of governments which favour large scale capitalist production over other forms; processor ownership has undoubtedly grown in significance.

Meanwhile the state continues to favour both the large and small scale capitalist sectors of the herring fishery over that of the small boat fishers. During 1989 the Japanese, who had in recent years been buying large amounts of roe herring, decided that they had sufficient stock of frozen roe and that they could force the price down by not buying as much as previously. Whereas in 1988 95,600 t of herring was caught for the roe market yielding 6,000 t of roe in 1989 less than 67,000 t and 1,500 t were caught and sold respectively. This posed an immediate political problem to the state which rapidly responded. The class power of the large scale capitalist fishery and its ties through ideological compatibility with the state become recognizable.

After a market downturn...this summer the federal Department of Fisheries and Oceans (DFO) recently announced the approval of an Over-the-Side Sales (OSS) operation for the Chedabucto Bay area. Purse seine operators who have experience a limited market for herring during the summer fishery will now be able to direct their catch to alternate markets (Sou'wester, 1989:14).

The state granted a 6,000 t quota for over the side sales from the fall/winter fishery. It is interesting to note, by way of comparison, that when a similar problem faced small boat fishers no equivalent solutions are forwarded. In fact

when gillnetters lost their markets no solution could be found. Under the auspices of the MFU the gillnetters proposals were turned down.

A Herring/Northern Cod Comparison

With the growing levels of quota for herring in the late 1980s and their concomitant concentration within the purse seine fleet the sector begs a comparison with other fisheries. In Newfoundland the Northern Cod TAC for 1989 was 235,000 t; a fishery which supports 6,000 fishers and 19,000 plant workers (Sou'wester, 1 Jan 1990:11), basically as a resource it is the most important staple supporting the entire province. The Scotia-Fundy herring fishery on the other hand has a TAC of 151,000 t; and supports 40 boats totalling approximately 250 fishers and supplying plant work for a four to six week period for several hundred people. Although there is the guarantee of 80% of the TAC going to the purse seine sector, in fact over 90% is now being caught by the purse seiners.

Conclusion

Small boat fishers have a great challenge ahead of them. They have daily fights on their hands with issues such as licensing, boat replacement, the lobster size changes in

the United States and the markets. Small boat fishers, like many other working people, are often too busy attempting to earn a living to do the extra political work that needs to be done. Their representatives in the MFU are pushed to their limits attempting to keep abreast of the many crisis situations happening in the fisheries; continued political pressure on, for example, the herring fishery is unfortunately placed on the back burner -- as important as it is to individual small boat fishers. Perhaps the final irony facing small boat fishers in Southwest Nova Scotia is that after being shut out of the herring fishery some of them have been forced to actually go to work for individual purse seine captains. They do not work as crew members, instead they get contracts to use their small boats to carry the waste herring carcasses (gurry) from the herring roe extraction plants to be dumped at sea. Dispossession from resource access could hardly be more concretely manifest and indirect proletarianization a la Chevalier without loss of the means of production is taken one step further. Not only were gillnet fishers exploited in a capitalistic fashion during the years that they did sell to domestic processors, but now they have lost resource access and still work for processors, albeit in a limited season.

To close, I will leave the reader with a quote from a small boat fisher who remarked in frustration about the loss of the herring fishery;

You had to fight all night to catch a fish, number one; then you fought like hell to get in line to sell them; then you fought to get your right weight; and then you waited two months for your money. So it wasn't very safe (Small Boat Fisher).

APPENDIX

A Herring or Mackerel Net

Set in 20 to 30 feet of water. Nets are under-run by boat e fish shaken out.

A Bottom Set Net
The weight of the lead line exceeds the buoyancy of the float line and the net stays set on the sea bottom.

A Drift Net

The vessel rides to leeward of the end of the set to ensure that the net is stretched out. The nets may extend for miles.
(The diagrams are not to scale)

Some Methods of Setting Gill Nets

Source: Murray, 1986

PURSE SEINING

Murray, 1986.

A 1200-ton purse seiner is shown at sea. The vessel is a large, modern fishing ship with a complex rigging system. It is shown from a side profile, with its mast and rigging visible. The water is choppy, and the sky is overcast.

The Atlantic Fishery

Task Force Analytical Areas

① North East Newfoundland and Labrador	⑦ Gulf New Brunswick
② South East Newfoundland	⑧ Prince Edward Island
③ South Coast Newfoundland	⑨ Gulf Nova Scotia
④ West Coast Newfoundland	⑩ North East Nova Scotia
⑤ North Shore Quebec	⑪ Eastern Shore Nova Scotia
⑥ Gaspé Quebec	⑫ South West Nova Scotia
	⑬ Fundy New Brunswick

Source: Kirby, 1983

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