



May 2004

U.S. Commission on Ocean Policy
1120 20th Street, NW
Suite 200 North
Washington, D.C. 20036

Re: Public Comment on Preliminary Report

The preliminary report of the U. S. Commission on Ocean Policy represents an impressive compilation of inputs from a wide range of ocean interests. Needless-to-day it brings much-needed attention to the problems that face our nation's marine environment.

Still, as resource economists and environmentalists, we are concerned that the Commission is missing a golden opportunity to apply an integrated framework to the way our marine environment is managed, particularly with respect to our coastal ocean fisheries.

We believe that commons nature of ocean fish stocks—i.e., that fish are unowned unless captured—has led to overfishing, overcapitalization, and habitat loss in many of our fisheries. We think the place to start addressing this problem is individual fishing quotas (IFQs). While by no means the only remedy, IFQs have been shown to be the most effective tool to date for ending the destructive race for fish that plagues so many fisheries. They have also been instrumental in reducing fleet excesses and in enabling fishery managers to meet sustainable harvest goals.

We were heartened to see Commission support for IFQs under the category of "direct access privileges." But we are dismayed with the Commission's recommendation that IFQs be of limited duration. One of the greatest attributes of IFQs is that they engender a long-term interest in the health of both fish stocks and the marine environment in general. Limiting their duration totally undermines these positive incentives.

New Zealand provides the perfect illustration of the full potential of IFQs because IFQs there are regarded as perpetual rights to shares of the commercial harvest. Because New Zealand quotas are not restricted by a limited time horizon, fishermen have formed management companies that invest in stock research and enhancement. They are managing the resource cooperatively with the government. They are taking multi-species management into consideration, and even experimenting with no-take zones. In other words, IFQ have created the kind of integrated management framework that the Commission purports to seek.

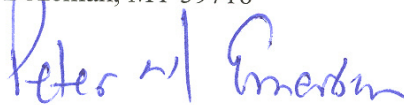
We think the Commission should consider an alternate framework based on stewardship and ownership, as elaborated in the attached study by Michael De Alessi.



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