Living Resources

Fisheries Disputes in Latin America

Roberto de Andrade
Consultant, Economic Commission for Latin America and the Caribbean, Santiago, Chile

INTRODUCTION

World fisheries production has shown sustained growth over the past decade, and the countries of Latin America have had their share of this growth. In addition to increased production, international trade in fisheries products has grown substantially. The region took an active part in this process, with a significant share in international trade.

Market access resulted not only from comparative advantages in relation to the rest of the world, but also from the major efforts made by the countries of the region. To improve the competitiveness of their fisheries products, they have adopted vigorous policies to find outlets in international markets. Some of them began a process of unilateral economic openness that contributed indirectly to increased presence of fisheries products in regional export patterns. In response to that growth, a series of barriers to trade in fisheries products was created by countries of the developed world, leading to some friction.

Thus, conflicts that for many years were settled among governments through their ministries of foreign affairs and experts are now in the headlines. As a result, they have taken on greater proportions, involving a number of different actors. Why do these conflicts arise, and what are their consequences for our countries?

Analysis of the background to the conflicts shows that two main factors are involved. The first is disagreement over the resource itself. The oceanographic characteristics of the region are such that its waters contain a great wealth of fisheries resources. Clearly, owing to the overexploitation of resources in the northern hemisphere, countries whose fleets operate in distant seas will be poised to exploit resources in the waters adjacent to the exclusive economic zones (EEZ) of coastal states, or will press for bilateral fisheries agreements.

1. Originally published by the Economic Commission for Latin America and the Caribbean (ECLAC), Environment and Development Series No. 5. LC/L 1094 (Santiago, Chile: ECLAC, March 1999).

© 2001 by The University of Chicago. All rights reserved.
0-226-06618-5/01/0015-0005$01.00
The second factor leading to disputes is the market. With globalization, the countries of the region are tending to open up their economies and seek improved competitiveness to achieve economic development. Current policy is intended to encourage countries to sell what they produce best and to buy what other countries produce best. This would generate funds that could be used for combating poverty, generating income, creating jobs, and, consequently, developing the economy. The region has traditionally been an exporter of natural resources, including fisheries resources. Thus, competition for markets is increasingly fierce as trade flows increase, as has been the case with fisheries products. In addition, in the case of these products, the catch can take place thousands of kilometers from the landing site. Thus, a South American country may be competing on the European market with the same product caught off its coast outside the EEZ.

To achieve entry into international markets, the countries of the region have used the macroeconomic and microeconomic tools available to them to improve the competitiveness of their products. They have adopted a series of measures to increase their exports, including open trading policies designed to improve the competitiveness of their exports. Because the fisheries sector produces a tradable good, it benefits directly from such policies. As a result, a series of nontraditional products, including several fisheries products, have appeared in the export markets of the countries of the region. The international situation, with sustained growth in the developed economies, has provided a steadily rising demand for the region’s fisheries products.

There has been sustained improvement in the ability of the region’s fisheries products to compete on international markets. From the microeconomic viewpoint, this has been achieved through the introduction of new technology in production processes, the creation of institutions to promote exports, the efforts of the bodies that market the products, improvements in storage and transport, and the development of new products. With this expansion, problems have begun to arise in relation to market entry for fisheries products in certain developed countries.

The purpose of this document is to review the most recent fisheries disputes between the countries of the region and the developed states, to identify their causes, and to analyze their economic implications for the countries of the region. It will also identify the means available for the settlement of disputes and the policies to be adopted to avoid such confrontations, which can act as a brake on the economies of the region in respect of sectoral investment.

MARINE RESOURCES

Fisheries resources are very important wherever commercial fisheries activities take place. Such organisms depend on the relationship between biotic