

Analyzing behavioral responses to regulation – what can be learned for management?

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Andries Richter (Wageningen University & University of Oslo)

The setting

- Cliché: Managing fisheries is managing people
- Understanding behavior and incentives is key
 - May imply profit maximizing behavior
 - May imply non-monetary considerations
(Nøstbakken 2012)
- Example: Behavioral response to an ITQ mechanism (Smith 2010)

Aaron Hatcher

- Single-species quota in multi-species fisheries
- WTP for choke species quota depends on costs of discarding and value of continuing operation
- Implication: Need for short term lease markets?
 - How will markets unfold?
- Emergence of risk sharing arrangements (Bramouil  & Kranton 2007, JEBO)
- Catch-quota balancing mechanisms in Iceland (Woods et al, 2015, Marine Policy)

Corbett Grainger

- Introduction of ITQs raise interesting distributional questions (“concentration of quota”) (Hannesson 2004)
- How does a newly established market form?
- Implication: Someone with a medium level of efficiency may be net buyer or seller
- What if efficiency does not only depend on skill, but scale?
- Role of transaction costs and capital constraints?

Linda Nøstbakken

- Noncompliance in fisheries
- Fear of formal punishment small factor
 - Instead a combination of fairness and sustainability considerations
- Unreported labor (>90% can never be justified)
- Interaction between competition, fairness and compliance?
 - Good and bad behavior “contagious”?
- Could this be leveraged for fisheries policy? (e.g. reputation)

Alan Haynie

- Cross-pollination between research, policy, and management when it comes to information
 - Rigid policy actions can contribute data that contribute to flexible management (e.g., observer data for marine mammal monitoring)
- Flexibility management has many benefits
 - Flexibility in in-season management translates into industry creativity in the policy arena
- Trust is important
- Research makes managers more comfortable with flexible policy measures.

Bigger questions

- What lessons can be learned for management?
- In which way should research be extended to fit management/industry needs?
- What should we (as researchers) be working on within this context in the next five years?