

## **Fisheries management of traditional *van chai* and modern cooperatives – problems and solutions**

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### **Abstract**

In this paper I examine comparatively the similarities and differences, positives and negatives, advantages and disadvantages between two fisheries management patterns, the Traditional Fishery Village (Van Chai) and the Fishery Co-operative, in terms of managing fishermen, organizing production, community cohesion, etc., to deal effectively with obstacles and promote the positive aspects of these organizations, thereby contributing to the sustainable development of the fisheries sector.

The main findings are that the traditional Van Chai provides an autonomous management form and focuses on interdependent support and fishery resources protection. Although the Van Chai are embedded in a community, their business failed, based on a disperses, small and individual basis. However, due to high community cohesion, some traditional professional villages have been formed, such as Van Phan-making fish sauce. The cohesion of the Van Chai facilitates sharing among its membership of experiences and lessons, not only about their production, but also strategies and skills to overcome natural problems. In particular, Van Chai communities often developed and agreed on their own regulations (*huong uoc*) for fishery resources protection. Nevertheless, the main drawback of community cohesion is hinderance not only the acquisition of experience and core qualities in managing external fisheries, but also in making fishers passively dependent on the their community. Moreover, community cohesion create patterns and behaviors where “the will of the king yields to the people's customs”, which restricts state management of community development in general.

In the case of fisheries co-operatives, although the Law on Co-operative has been implemented, the legacy of the subsidized co-operative remains in the minds of managers and fishers, which restricts the expansion and efficiency of the co-operative when participation of people is hesitant and overly considered. At present, the greatest difficulties confronting a co-operative are access to capital and the management capacity of leadership, because official credit banks or funding organizations provide loans only if mortgage of property and ownership of land can be proved. Both these factors are unavailable for the co-operative because land is possessed by members of the co-operative, not by the co-operative itself. However, it is a voluntary organization with its own economic and social advantages. It is not a form of self-management like the Van Chai, but is a socio-professional organization self-financed by the voluntary participation of people, supported by the state with procedures to support management and working office.

The co-operative can operate a business based on its workplan (but Van Chai can not) and build management experience through sharing it with others (by study tours, seminars and propaganda). Thus, although internal cohesion of the co-operative is lower then Van Chai, it can collaborate in production and business with other co-operatives (and other organizations), which facilitates provision of input materials as well as marketing the outputs. Therefore, whereas the co-operative can produce goods using mass production, it is so difficult for Van Chai to do so.

Owing to a looser internal cohesion of the co-operative compared with fishing villages, its key purpose is a level of economic efficiency to unite the membership closely. As a result, it focuses little on the protection of fishery resources, and is little concerned with, or even ignores entirely, the social issues that are present in most of fisheries co-operatives.

To summarize: the Van Chai and the co-operative have the following similarities and differences:

### (1) Similarities

(a) Management: Theoretically, both two management patterns are intended to raise economic and social efficiency and protect fishery resources. However, in reality it seems that co-operatives tend to focus more on economic development.

(b) Organization: They are voluntary organizations of people (Van Chai: 100% voluntary, co-operative half voluntary)

(c) Regulations: Van Chai created their own regulations (informal) established by members but not contradicting laws, whereas the co-operative has its official regulation (but follow the guideline of the state).

(d) Leadership: In both leaders are directly elected by the membership.

## (2) Differences

(a) Van Chai have no direct leader in production, but a household is a self-sufficient production unit. In contrast the co-operative directly organizes the production of its membership, or works as an input or output provider for it.

(b) Cohesion of the Van Chai community is closer than that of the co-operative, because their regulations have been inherited with sustainable standard values. Their management is formed by villages and kinship, not on a household basis.

## 1. Introduction

The fisheries management and development in Vietnam in particular and in coastal countries in the world in general have played a crucial role in the sustainable development and protection of aquatic resources as well as marine eco-environment. In recent years, the State has promulgated a number of policy and legal framework supporting co-management such as Decree 29/1998/ND-CP on the grassroots democracy, Fisheries Law, Decree 27/2005/ND-CP regulating and guiding the implementation of Fisheries Law (including guidance of allocation and lease of marine areas), comprehensive masterplan of fisheries sector, Decree 123/2006/ND-CP on fishing operations, program on sustainable development of fisheries sector. However, the implementation of such policies and documents is still ineffective and does not meet the need for sustainable development of fisheries sector.

One of the important reasons causing such situation is limited participation of the people in the protection of aquatic resources. The confidence and ownership of the people are not strengthened and traditional values are not fully utilised in practical fisheries management Vietnam fisheries history proved that the *van chai* organisation has been successful in fisheries resources protection and development of fishermen's livelihoods through village conventions formulated and complied by fishers themselves. These village conventions support management practices and enhance the awareness and behaviours in all social aspects of fisheries sector. At present, little information is available on the social aspects, especially the valuable knowledge of application of village conventions and the improvement of fishermen's role in the management and protection of aquatic resources.

The promotion of the *van chai* management through the village conventions plays a key role in fisheries management. These standard values of the fishing communities remain influential in socio-economic life as well as fisheries resources protection. Fisheries resources are not only subject to exploitation but also suffer from impacts of the imbalance between exploitation and protection of fisheries resources. The protection of aquatic resources and habitats will only succeed in the conditions of awareness changes and active participation of fishers, as their livelihoods depend heavily on the resource base they are exploiting. There exists a paradox between increasing need for aquatic resource protection and mounting fishing capacity, and this requires the

development of new management practices to control fishers' actions in aquatic resource protection. By adopting the co-management through village conventions in combination with State's and eco-system based management, fisheries sector will have opportunities to develop in a sustainable manner.

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In the new context, in parallel with the economic and national security demands over the sea, fishing community's awareness of the wise use of fisheries resources is of strategic importance to the sustainable development of the fisheries sector. The government has paid more considerations to the promotion of fishing community's role to serve these strategic objectives. One of the major orientations of the sector is to re-arrange the production and conduct co-management with aims to promoting the sustainable development of fisheries sector. Cooperative has been interested and developed by the State as one of fisheries sector management forms. This form was initially established under the anti-French war and was strongly developed in the period of socialist construction and national defence as well as reunion of the south and north regions. It was actually refreshed by the promulgation of the Cooperative Law in 2003. As an economically independent organisation with voluntary participation of members, cooperatives have certain similarities and differences compared to the traditional *van chai* organisation.

As a result, the comparison between the traditional *van chai* and the present fisheries management cooperative has its theoretical and practical importance contributing to the establishment of co-management model, securing the inheritance of traditional values in the fisheries trading, production management and promotion of the sustainable development in fisheries sector at fishing community level.

## **2. General overview of traditional *van chai* and present fisheries cooperative**

Traditional *van chai* is the grassroot administrative unit of the communities living on the water. This group of community is named as part of aquatic residence. Blood-relationship and occupational relation are the two main relations that form the floating fishing community. The organisation forms of *van chai* is not different to that of agriculture community. It is the organisation grouped by residents according to the geographical areas (*zung, chom*), the blood-relation (family), occupation (fishing), ages (*giap*) and a group of individuals in the commune's governmental apparatus. But it is, however, quite different under the specific form.

In community group gathered by geographical area, the fishing community is grouped based on the blood-relationship and occupational relation different from agriculture communities grouped by neighbourhood. The unstability is the prominent feature due to the search of fishing grounds and geographically-related religions. *Chom* is a group of individuals which bears the self-regulated characteristics.

In community group gathered by blood-relationship, the link that created by the blood and family relations is closer than that of agricultural residence. A Kin-people Council is established by representatives of families and sometimes this is the administrative apparatus of *van chai*. In community group gathered by occupation, fishers use the same fishing gear and normally a "van" (kind of headquarter) is established in one family as a spiritual and material centre of fishers.

In community gathered by ages, "giap" is both the administrative and organisation unit representing age ranking. As an organisation unit age rank, the role promotion of each individual in

the organisation is regulated by their age and the challenges in the work. Marking this promotion is a ritual ceremony. As an administrative unit, “giap” controls the fisher’s behaviours in their different ages. The local government will grant household with registration certification and birth/death/marriage certificates, collect tax and mobilise human resources when needed.

In the community gathered by individuals in the commune’s local governmental apparatus, people who are more than 18 years old have to pay poll-tax, they have right to vote and discuss common issues. The Kin-people Council would be responsible for people’s management before the State. A “*ly dich*” (public service) Council was once set up, including village headman and his assistant, trade officer (*thuong truong*) and commune inspector (*xa tuan*) would be responsible for State management

The *van chai* management bears both the self-regulated and state management manner. It is operated based on the State legislation and unwritten regulations possessing the values and standards in village conventions. Village conventions are normally comprised of three main parts: fishing rights, mooring places and protection of fisheries resources.

The organisation of traditional *van chai* was inherited to date. However, there is no statistical data available on the scale of such organisation. It is definite that the unstability and the hardships in the fisher’s livelihoods are connected to poverty, environment degradation and limited access to the basis social services, as well as the inadequate inheritance of traditional standard values on fisheries management.

Cooperatives in general and fisheries cooperatives in particular are the “self-managed economic organisation”, an economic organisation of the founders and participants. Cooperatives are not established by the State or other socio-economic organisations (according to Law on Cooperative 1996, taking effect on 1 January 1997). Therefore, the fisheries cooperatives are no longer be responsible for social focus and at the same time, they are freed from the administrative interference by governmental agencies in their internal affairs. The development of fisheries cooperatives are subject to legal framework which clearly regulates the organisational principles, internal affairs and positions of cooperatives in the relation with other economic organisations. The Law on Cooperatives 2003 aims to strengthen the cooperatives which were established in the central economic planning period and to transform them into the “new-styled” ones. It also aims at formulating the institutional framework to regulate the diversified economic cooperation in the context of market-driven economy, especially the cooperative economic organisations established by the people in all socio-economic aspects and in different forms and scales. Then the collective economic and fisheries cooperatives have their new development orientations. The statistical data shows that there were 79 cooperatives with 2,500 labors, 150 vessels of limited capacity in capital, labor, vessels and catches in 1996. The role of fisheries cooperatives was ignored. Since the promulgation of Law on cooperatives (1996) and 1997, new cooperatives were established and developed in many provinces thanks to the preferential loans for offshore fishing vessel construction and overcoming the consequences of Typhoon No. 5. During 1997-2001, the number of newly-established fisheries cooperatives increased rapidly. Many fisheries cooperatives were founded with State’s loaning scheme for offshore fishing vessels. More than 10,000 workers directly involved in fishing and 20,000 workers involved in fisheries logistic services got their jobs. The cooperatives, however, could not be able to continue independent economic activities and well-prepared for the conditions that require technical expertise, good knowledge of fishing grounds. The loose management capacity and difficulties in working capital led to ineffectiveness and debts. Many members left the cooperatives.

By the end of 2005, there were 658 fisheries cooperatives with 22,899 workers including 238 fisheries cooperatives with 4,484 workers, 553 vessels of 100,000 CV of total capacity; 375 fish farming cooperatives with 17,604 workers and 10,715 ha of aquaculture area; 27 fisheries logistic service cooperatives with 193 workers; 9 fish processing cooperatives with 232 workers; 12 fisheries mechanics cooperatives with 386 workers (113 fisheries cooperatives were dissolved in

2005). The good-benefit cooperatives account for 25%, average-benefit ones account for 30% and 45% are badly-run cooperatives. The average profit is 120 millions dong/cooperative, the average income per worker is 9 millions dong/year and 25% of cooperatives recruit the members with high school level. In period of 2001-2005, number of cooperative was increased by 8.3% on average with the worker increased of 10.01%/year on average.

During 2001-2005, the number of cooperative increased by 8.3%/year on average, and the total number of workers in cooperatives increased by 10.01%. The average labor force was 23 in 2000, and 39 in 2005. Cooperatives focused on the investment of infrastructure, facilities and renovation of aquaculture technology, production line as well as enhancement of its effectiveness. Some outstanding cooperatives are Fisheries service and fisheries cooperatives number 1 in Lap Le commune, Hai Phong city. Dong Tam cooperative in Thua Duc commune, Binh Chanh district, Ben Tre province, Thong Nhat, Khanh Hoa cooperatives etc.

In addition to the achievements, there are many constraints as follows:

The scale of cooperatives is small with weak financial capacity. The average membership is 43, and aquaculture area 27 ha. Fisheries cooperatives usually has only two fishing vessels of 90 CV capacity each. Many cooperatives are half-idle with long-standing losses and cannot meet the renovation requirements as stated in the Cooperative Law.

Management capacity is weak. The workers are not qualified and the number of members is limited. Many cooperatives work on nominal manner. Cooperatives are independent and awaiting the State subsidy without significant own capital. Cooperative's members did not have any economic commitment to the cooperatives. The State loan is given to the representative of the cooperative who are the chairman of cooperativ so there is no legal binding in relation with its members. As a result, cooperative's members are not much interested in the cooperative and they are willing to quit if the production is at loss.

In some cooperatives, there is no accounting books or records available according to Law on Statistics and Accounting. The records are made in form of ordinary form including the daily production cost and revenue. Cooperative is much interested on the benefits of its members but not in the paying back to the State or they do not establish any fund as stated in the Law on Cooperatives. Most fisheries cooperatives give the remaining revenues to their members after deducting the production costs like cost of petrol, ice, salt, food, small repairs.

Though cooperatives are established in different contexts, these two organisation forms are established by the fishers themselves. The most outstanding feature of the two forms is the self-regulation in the livelihoods of fishers.

## 2. Comparison between *van chai* and present cooperatives

### 2.1. Similarities

*Van chai* and cooperatives have some similarities in fisheries management organisation. To some extent, it reflects the inheritance of traditional values and standards in present fisheries management. Table 1 describes these common points:

**Table 1. Similarities between *van chai* and present cooperatives**

Indicators	Activities	Remarks
Objectives	Bring increasing spiritual and material benefits to its membes. Interst in social benefits and community development.	

Nature	Economic and social aspects	In cooperative, economic aspect is more interested.
Organisation and operation principles	As fishers' organisations, established by fishers following the principles of voluntariness, equality and public interests. Operational on the bases of self-control, self-responsibilities and mutual benefit. Members are aware of the needs for collaboration and public interests	Old-styled cooperatives established before 2003 was intervened and promoted by the State
Management	- Democratic process enhances the responsibilities of members. - Each fishing vessel are self-dependent in production and business - Members of management board are voted by fishers. - Based on the agreed values and standards	In some cases, leadership of cooperatives is intervened by the State
Organisation form	Self-regulated	
Operation modality	Service provision	

The analysis shows that the similarities between traditional *van chai* and present cooperatives are best reflected in the community and self-determination characteristics of the fishers. In the identification of objectives, duties, implementation activities require the community-based approach. Activities of traditional *van chai* and present cooperatives are based on the agreed values and standards (e.g. in village conventions).

## 2.2. Differences between *van chai* and present cooperatives

In addition to the similarities, there are many differences between the traditional *van chai* and present cooperatives. Table 2 shows the difference between the two organisation types.

**Table 2. Differences between traditional *van chai* and cooperatives**

No.	Criteria	Traditional <i>van chai</i>	Present cooperatives
1	Establishment history	Feudal time, 18 <sup>th</sup> century	Since 1950s, under socialism construction era
2	Operation purpose	Mutual support and religious beliefs	Economic, profit
3	Organisation feature	Sentimental and traditional over history	Social and occupational
4	Member relationship	Family, blood relationship, occupation relation	Based on profits, mutual support in difficult times
5	Scale	Social and religious values are promoted	Fisheries-focused, occupational
6	Self-regulation	High consensus, voluntary, mutual discussion	Constitution is developed in line with State's regulations
7	Legal aspect	Non-official, voluntary, not recognized by State	Official, specified by the Law on Cooperatives
8	Legal entity status	None	Legal status is provided, with stamps and bank accounts

9	Economic aspect	Not interested in trade	Interested in trade and profits
10	Social aspect	Very high	Average. Economic factor is dominant.
11	Protection of aquatic resources	High. Regulated in the village conventions	Average. Economic factor is dominant.
12	Structure cohesiveness	Strong	Low
13	Dispersal ability	Low	Depending on situation
14	Production planning	None. Unofficial, and normally planned by the leader	Official, public
15	Capacity to implement self-determined regulations	Very high	Average
16	Law compliance	No assessment available	Average. Normally below the regulations set out
17	State support	No. Hardly supported by the State in terms of loans, land, fuel, and fishing gears	Supported by State (loans, land, fuel, fishing gears)
18	Consensus	High	Depending on the State's interventions
19	Institutional form	A Social structure regulating behaviours of fishers	Economic structure, aimed at managing production and harmonizing interests

There are some main differences between the two organisation types in terms of management of fishermen, protection of aquatic resources and maintenance of fishing grounds as follows:

**Objectives**, though both organisations provide increasing material and spiritual benefits to their members and regard the social interest and community development, cooperative also harmonize the personal and collective interests.

**Nature**, both types of organisations bear their economic and social characteristics but cooperatives are concentrate more on economic characteristic than social aspect.

**Principles of functions and structure**, these two organisation types are subject to principles of voluntariness, democracy, equality, public interests, self-determination, and self-responsibility principles with mutual assistance and community development. However, the differences are:

*Principle of voluntariness*, This has been specified in Cooperative Law 2003. On a voluntary basis, individuals, households, legal entities shall comply with the general provisions including:

- Submission of application form for accession to cooperative;
- Agreement with Cooperative constitution
- Agreement to contribute capital as regulated in the cooperative constitution, contribute their efforts in direct management, production practice, advice on knowledge, trade and technical science for cooperative depending on the actual needs.

This principle reflects the legal binding requirement to the individuals, households, legal entities involved in the cooperative and this is also the necessary condition to ensure the cooperative's activities, especially in relation to capital contribution.

*Principles of democracy, equality and public interests*: cooperatives; members have the right to manage, control, monitor the cooperative and have equal right in voting, production, trade, finance, distribution and other issues regulated in the cooperative's rule.

*Self-determination, self-responsibility and mutual interest*: Cooperatives are self-determined and self-responsible for its production and trade, makes their own decisions on the profit distribution in

accordance with the constitution agreed by members. Due to personal operation, each household is self-determined and self-responsible for the outcome of their production and trade.

*Cooperation and community development*, cooperative promotes the spirit of cooperation within its organisation, in the social community. They support one another domestically and even among the local and external cooperatives in accordance with the legislation aimed to bringing higher spiritual and material benefits to its members, harmonizing the personal and collective interests with full respect to the social interest and community development.

Community cooperation and development are hardly lack of State support and this cooperation is mainly conducted within its community. Family and occupational units are used as tools to undertake its economic and social objectives.

**Ownership:** cooperative properties belong to either collective ownership, individual members' ownership, and other economic sectors. The details are as below:

- Collective capital and properties of fishing cooperatives, contributed by fishing vessel units or other production/business components, or by share-holders.
- Individual capital and properties of cooperative members or outsiders: The cooperative may use the capital, but in reality these capital and properties are under individual ownership.
- Collective capital and properties of cooperatives in the form of public welfare works, serving the benefits of all members.

In fisheries cooperatives, due to the complex structure of production chain, the capital/property contributions are important for the common use. This helps mobilise capital and properties from members and even outsiders.

In *Van chai*, there exist only one form of individual ownership in economic activities.

**Management:** The management of cooperative activities is decided among members and reflected in the Cooperative Constitution (Charter) that is agreed upon by all members in the cooperative congress. The resolutions by the Congress are then handed over to the Board of Management elected by cooperative members to implement. In *van chai*, though families are self-dependent in economic activities, the social affairs are decided by *Hội đồng Tộc biểu* (Kin-people Council) among the men at more than 18 years of age. *Van chai* do not have any leader for economic activities but each household is self-sufficient. The relationship within *van chai* is closer than cooperatives, because traditional values and standards are sustained in village conventions. Village/kinship based management is dominant in these organisations.

*Fishermen management:* Traditional *van chai* and cooperatives all manage strictly the number of fishermen operating in and navigating between fishing grounds. In cooperatives, records are better kept to monitor the number of cooperative members and fishing itinerary. *Van chai*, however, do not usually keep records but use the human memory instead, so it is less professional than cooperatives.

*Management of fishing gears as collective and individual properties:* In *van chai* there is no common properties, and only individual ownership prevails. *Van chai* do not control the number of fishing vessels/boats but they know exactly the number of the ones in operation. Cooperatives manage fishing vessel number and status with a filing system, and have to report to line agencies when requested. Cooperatives are the set of fishing vessel units, in each unit there may be one or more households, so ownership of properties is different from *van chai*.

*Book keeping:* Most cooperatives keep books and records of fishing gears used by members, nature, functions and even the negative impacts of the gears. Book keeping is not practiced in *van chai*. This constraint in *van chai* should not be maintained.

*Catch records:* *Van chai* do not have the habit of monitoring, statistics and management of the catches, and they do not feel any responsibility to report to line agencies of the catches. Cooperatives, in theory and specified by laws, need to monitor and report catches.



*Tax payment to local government:* A majority of traditional *van chai* do not pay tax (resources, protection, etc) to local governments except the *van chai* of Tam Giang lagoon in Thua Thien Hue province, where tax is calculated based on the common disposition and agreement between *van chai* leaders and village/commune officials. *Van chai* are not bound to tax regulations by the state, because they do not hold legal entity status. Tax regulations, if any, are only applicable to individuals. Cooperatives, in contrast, have to conform to all tax provisions.

*Protection of aquatic resources:* Though cooperatives have their own regulations on protection of aquatic resources, many are unaware of the adverse impacts from some fishing gears and the needs of reminding each other to apply environment-friendly fishing practices to conserve the resources. In *van chai*, the unfriendly fishing activities are subject to village conventions. The implementation of regulations in *van chai* is much more effective than cooperatives. The tradition of worshipping cá Ông (whale), protection and salvage of this fish species, help reduce the risks of whale extinction when this species is included in the Red List and at the risk of extinction along coastlines.

*Protection of fishing grounds and general social safety and order:* *Van chai* are more effective in carrying out these functions thanks to the roles of *van chai* leaders, whereas the open access observed in cooperatives contribute very little to these functions.

### ***Sharing of fishing grounds and profits***

The leader of *van chai* plays a crucial role in distributing sections of fishing ground among the members, if fishing activities take place in one fishing ground. In case of disputes between fishermen of two different *van chai*, the two leaders of these *van chai* will be responsible for negotiations. This resolution mechanism is not seen in cooperatives, where the disputes (if any) are handled in pursuance to the Fisheries Law. Due to poor state management in fishing grounds, fishers of smaller cooperatives are often lose the cases against bigger fishing corporations and commercial fishing vessels. If *van chai* members agree to share products, the decisions (often made by the leader) are rather flexible. But in cooperatives, direct/indirect profits are shared on a fixed basis, among state (who collect taxes), collective body (who keeps some proportion as the common inseparable fund) and its members (who earn income *in ratio* of capital contribution, services provided by the cooperative, and social insurance). This profit sharing mechanism can only be amended by the Congress of cooperative members.

### ***Operations***

The operation of *van chai* is mainly based on fishing activities but not services. In cooperatives, the operation scale may cover production (fishing activities), business and services profession ngành nghề hoặc kinh doanh tổng hợp.

It worths mentioning that traditional *van chai* is a form of self-management and mutual assistance in economic activities and resource protection. A *van chai*, though embodying a community, is characterized by small-scale and spontaneous livelihoods practices. There are, however, strong linkages within these communities, and it is the reason why we can find the existence of 'professional' villages such as Vạn Phần producing fish sauce. These linkages create good conditions for community members to exchange experiences and lessons learnt in production organisation and in the combat against natural disasters. In *van chai* communities, village conventions have been developed with consensus of members on aquatic resource protection. The biggest constraint of these communities lies in the hesitation in adopting advanced management approaches from outside, and people's passive attitudes of leaning on the communities. A common thinking that « royal rules are bound to village conventions » hampers the effectiveness and efficiency of state management over community development in general.

## **3. Advantages and disadvantages of traditional *van chai* and cooperatives**

### **3.1. Advantages**

The advantages of traditional *van chai* and modern cooperatives are described in Table 3 below.

**Table 3: Advantages of traditional *van chai* and modern cooperatives**

No	Cooperatives	Traditional <i>van chai</i>
1	Supported by the government in terms of business environment, investment, loaning, etc.	Consensus among members helps common activities go smoothly
2	Legal entity status helps cooperatives easily integrate into the global market with market economy orientations	Cohesive relationship over centuries generates tremendous collective power
3	Easily collaborate to set up joint-ventures with other economic sectors and businesses	Aquatic resources were abundant in the past and did not require complicated fishing techniques. There was almost no competition among just a small number of fishermen whose catching efforts were low
4	Religious beliefs are respected by the people, and protected by the laws	Religious beliefs (e.g. Whale temples, Good-catch Expectation ceremonies, boat race, etc.) link people together

### 3.2. Disadvantages

The disadvantages of traditional *van chai* and modern cooperatives are described in Table 4 below.

**Table 4: Disadvantages of traditional *van chai* and modern cooperatives**

No	Cooperatives	Traditional <i>van chai</i>
1	Loose management structure	<i>Van chai</i> are not official organisations and do not possess mortgage for loaning
2	Heavily dependent on state's subscription, so the dynamics is limited	Không có tư cách pháp nhân nên không thể đứng ra giao dịch, ký kết hợp đồng kinh tế để kinh doanh
3	Cooperatives hardly possess mortgage for bank loans so it is difficult for them to expand production scale	Too close relationship and important role of the leader sometimes cause hesitation in cooperation with other <i>van chai</i> and organisations, and thus makes <i>van chai</i> weaker
4	Limited capacity in attract more members to participate	
5	Qualifications of the management are poor, so the cooperatives face many challenges to keep pace with the economic growth	

To sum up, although Cooperative Law has been promulgated, remnants of the old cooperative model from the centrally planning period still exist in the mind of the managers and fishermen. This hampers the scale expansion and effectiveness of cooperatives, when people are reluctant to take up new initiatives. The proactive and voluntary participation in cooperative has been limited. The biggest challenge to cooperatives at present is the access to finance and management capacity of state officials, as banks and credit facilities only provide loans on the basis of land deed. These two factors seem blank in the current cooperatives, as the cooperative individual member's ownership is dominant. Cooperatives, however, are voluntary organisation with their own advantages, mixing both economic features (commercially based) and social functions. They are not self-managed organisation of traditional *van chai* communities, but dependent on self-planning

of business with people's voluntary participation under state's support in establishment, management and headquarter set-up, etc.

Cooperatives' activities are put in workplans, which cannot be seen in *van chai*. Further, management capacity may be improved through the exchange of experiences among outstanding cooperatives via field-visits, workshops and communications campaigns. The internal links of cooperatives, though not as strong as they are in *van chai*, may be useful in management of production and business activities in collaboration with other cooperatives and economic organisations, so it creates favourable conditions for provision of inputs and marketing of outputs in the production process. As a result, cooperatives are capable of running large-scale commodity production other than *van chai*.

The less cohesive relationship inside the cooperatives as compared to *van chai* makes it feasible to set the main priorities for cooperative to concentrate on economic profits to better link members together. A possible consequence from this is the lack of awareness to resource protection and harmonisation of social affairs.

#### 4. Recommendations

In Putrajaya Declaration on Regional Cooperation for Sustainable Development of Eastern Asia Seas, objective Three of sustainable, fair capture fisheries and stable fish stocks, specifies that "Maintain indigenous/traditional knowledge and custom in capture fisheries management, including territorial rights in capture fisheries". The inheritance of traditional values from generation to generation is not only the basis for cultural change and socio-economic development, but also the basis for sustainable development. Though there exist constraints within the social context, values of *van chai* management modality should be brought into play and inherited in community management for the time being.

- One of the values in traditional *van chai* model of fisheries management is the role of kinship. Family rules and kinship regulations should be promoted to educate, control and adjust fishermen's behaviours in capture activities as a good means in changing people's attitudes to environment-friendly directions.

- Village conventions on fisheries management inside *van chai* should be further studied to find out fisheries management values that could be applied in community management, especially for resource protection.

- On the basis of traditional village conventions, new conventions should be developed for fishing communities, covering socio-economic, cultural and environmental aspects that are in line with current state's laws and regulations. Directive 24/1998/CT-TTg by the Prime Minister dated 19 June 1998 states that the development of village conventions shall be "discussed openly by local people, and passed by the congress of voters or family representatives at village/hamlet level", and at the same time "shall be approved by district-level People's Committee before implementation, to ensure that the contents are not against the laws. Village convention(s) shall be locally or village specific, and appropriate to the education and psychological features of fishermen".

In general, fishermen tend to think that the state's regulations on capture fisheries are not suited to the reality of their fishing activities, so they do not want to voluntarily carry out such regulations. If they are engaged in development of management rules from the beginning, they would be careful in making the regulations by themselves. This is a very important requirement in fisheries management.

Another important point is to adopt a bottom-up approach to make fishermen better aware of management work. They should be vested with right to self-develop management provisions and responsibility to implement these. The self-control is therefore very crucial to help fishermen be able to discover breaches by other fishers. The limitation of fishing rights as specified in State's

regulations is too general and applicable to all waters, so it is hard to apply properly. If fishermen are involved in development of such regulations for local waters, they would be willing to compile detailed provisions that are effective in resource and fisheries management. In such way, fishermen's awareness and behaviours will be improved.

- In order to make use of cooperatives's advantages, it is important to encourage *van chai* to establish cooperatives to bring material and spiritual benefits to their members, ensure the harmony between individuals and collective benefits, and pay respect to the whole society and community development. This is the key to success of coastal fisheries management. *Van chai* is a small-scale model of fisheries management that is more appropriate to scattered distribution of fishermen along the coastline. Fisheries management should be carried out through fishermen's organisations, in which cooperatives are most suitable for the capabilities and characteristics of the current labour force in fisheries. Cooperatives may be considered as the bridge linking state line agencies and fishermen's communities. Coastal fisheries management will be successful when strong cooperatives are set up to aggregate the fishermen who are fully aware of the importance of fisheries development. Each marine water has its own characteristics in terms of capture species, fishing gears, fishing vessels, fishing grounds and socio-economic conditions, so only local fishermen are able to develop the fisheries management system that is most appropriate to their locality. Legal framework and assistance in construction of facilities like landing sites, fish markets, etc. and in law implementation are expected to be provided by the State. Fish marketing is the key to economic success of cooperatives. Fishermen will make commercial transaction through their organisation of cooperative, which in turn sell fish to outsiders in the form of auctions. With this mechanism, the cooperatives will become attractive to fishermen's participation. In Japan, for instance, the non-members of cooperatives cannot sell fish, so 100% of fishermen decide to join cooperatives.

Besides the means of cooperative establishment, *van chai* should be re-organised in production activities, with the use of community management tools to harmonise capture fisheries and resource protection needs.

- When developing Constitutions for cooperatives, traditional values of village conventions should be incorporated, especially the provisions on resource protection that are supported by current laws.

- It is necessary to pay respect to and organise cultural festivals related to resource protection. These festivals play an important role in creating awareness for fishermen in resource protection, and linking them spiritually.

To sum up, founded in different historical stages, traditional *van chai* and modern cooperatives have many common points in terms of self-control modality and fishermen's role in coastal fishermen management. These common points are useful in boosting the inheritance of traditional values of fisheries management by *van chai* in the modern fisheries cooperatives towards sustainable development and improvement of co-management systems. The above comparable analysis may suggest some solutions to policy makers to develop legal framework for the development of participatory fisheries management, to keep the balance between ecosystems, state management and community management.