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# Atlantic States Marine Fisheries Commission

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*Working towards healthy, self-sustaining populations for all Atlantic coast fish species, or successful restoration well in progress, by the year 2015*

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## ASMFC Committee on Economics and Social Sciences (CESS) Summary Response to the Southwick Report

Stripers Forever, an organization that advocates game fish status for striped bass, commissioned Southwick Associates to perform a study comparing the economics of recreational versus commercial fishing for striped bass. The report, released in 2005, attempts to forecast the changes and impacts if the commercial fishery quota was reallocated to the recreational sector. It also examines the economic impacts of replacing wild catch with increased aquaculture production. In its overview of the Southwick Study, Stripers Forever concluded incorrectly that there is greater economic benefit derived from the recreational fishery for striped bass than from the commercial fishery. Stripers Forever calls for state or federal legislation to end all commercial striped bass fishing and to use revenue from a recreational striped bass stamp to buy out licensed commercial harvesters. The ISFMP Policy Board requested that CESS review the report to provide their expert advice on the validity of the report's findings. CESS concluded that the methods are inappropriately applied, the data used has gaps and is outdated, and incorrect assumptions are made; therefore, the **results of this study should not provide the basis for making decisions about resource allocation between commercial fishermen and recreational anglers.**

CESS ultimately finds that the Southwick study is seriously flawed and biased. The Southwick study grossly overestimates the economic impact of wholly replacing the commercial fishery with an increased allocation to the striped bass recreational fishery and fails to consider the potentially extreme negative impacts to the commercial industry and fishing communities that may derive from a closure of the commercial striped bass fishery. Several concerns in the study identified by CESS:

- Study overestimates economic impact of the recreational fishery while failing to adequately describe the impacts associated with commercial striped bass fishing.
- Even though CESS found many deficiencies in the characterization of the commercial versus recreational sector, the committee noted that the difference in economic impacts between the two sectors were not great, merely a $3 million difference.
- Study attempts to compare apples to oranges. Report includes all possible expenditures for the recreational sector, but does not delineate commercial expenditures.
- Study assumes that there is a linear relationship between increased trips and increased availability of the resource.
- Study has no distinction between allocation and harvest. Report fails to explain that the lower harvest of striped bass by commercial fisheries is due to restrictions on commercial catch.
- Authors offer no empirical data that aquaculture will satisfy consumer demand for striped bass. Consumer does have a preference for wild caught striped bass as the market for farm-raised striped bass can decline when wild striped bass are available.

CESS advises that it is not appropriate to use estimates of economic impacts from an input/output (I/O) model as a basis for allocating all the striped bass resource to the recreational sector. Allocation decisions should be based on the economic value or net benefits, which consists of consumer surplus, producer surplus, and other social values. While the states have the authority to base their allocation decisions on whatever factor(s) they deem appropriate, CESS urges the states to look at cost benefit analyses to support decisions about the allocation of their natural resources.