

A fight about fish farms

With the U.S. facing a 'seafood trade deficit,' the industry wants to grow more fish in the ocean - but others say not so fast.

By [Marc Gunther](#), Fortune senior writer

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NEW YORK (Fortune) -- Next time you order a shrimp cocktail, eat a bagel with smoked salmon or enjoy a tuna sandwich, know this: The world's appetite for fish is growing a lot faster than the oceans can supply them.

Global fish consumption has doubled in the last 40 years, outpacing population growth. In the U.S., seafood sales have grown by about 10 percent a year since 2001. Nutritionists tout the health benefits of eating fish. But most ocean fisheries are fully exploited or overfished.

What to do? The seafood industry wants to grow more fish on farms, which already cultivate shrimp, salmon, oysters, clams, catfish and other species - providing nearly half the world's fish.

New legislation proposed by the Bush administration would make it easier to develop industrial-scale aquaculture in ocean waters. Today, U.S. aquaculture is concentrated in lakes, ponds and waters close by the shore.

"If we expect people to eat seafood twice a week because it's good, we really need to get aquaculture going in this country." says John Connelly, president of the [National Fisheries Institute](#), a Washington-based trade association.

Others are in no such hurry. Some environmental groups oppose the proposed National Offshore Aquaculture Act of 2007 (NOAA), arguing that it doesn't go far enough to protect the oceans from pollution.

Among the risks: Fish can escape from farms and damage the wild fish population, diseases from farmed fish can spill over into the natural fish population, fish waste can damage the ocean floor and the hunger of farmed fish for smaller fish or fish meal can itself lead to overfishing and disruption of the food chain.

[Food & Water Watch](#), an anti-corporate activist group, declares: "The factory-farm model is being adopted for aquaculture: growing food as cheaply as possible using toxic chemicals and other harmful techniques, packaging it in enormous bulk, and shipping it to distant grocery stores and restaurants all around the world."

In Alaska, meanwhile, commercial fisherman and state politicians worry that the rapid growth of farmed fish threatens their state's most important industry. U.S. Senator Lisa Murkowski, an Alaska Republican, says: "If we simply take dollars away from the existing commercial fishing industry and move them over to the aquaculture industry, are we really creating new commerce?"

Even more blunt is Mark Vinsel, executive director of the United Fisherman of Alaska. "We oppose fin fish farms, anytime, any place, any species," he says.

Alaska salmon fisherman have already been hurt badly by the rapid growth of salmon farms in places like Chile and Norway. Globally, aquaculture is one of the fastest-growing businesses in all of farming, with revenues increasing by about 11 percent a year. Most of that growth has come from Asia, where China, India, Indonesia, Thailand and Vietnam all grow more fish than the U.S. As a result, the U.S. faces a "seafood trade deficit" of about \$8 billion a year.

The Bush administration bill would make it easier to farm fish in U.S. marine waters, which generally extend from three to 200 miles offshore. It would streamline the permit process, giving primary responsibility to the National Oceanic & Atmospheric Administration, a unit of the Department of Commerce.

Right now, the industry says, it's all but impossible to get a permit for a large-scale fish farm because a multitude of federal agencies are involved. "You have a process with nobody to lead it," complains Donald Kent, president of the nonprofit [Hubbs-Sea World Research Institute](#) in San Diego.

After trying for years to get permission to develop a fish farm off the California coast, Hubbs-SeaWorld gave up and built a demonstration project off the coast of Ensenada, Mexico. "We're becoming a nation of importers, when we could be developing our own industry that we can control," Kent says.

Similarly, Taylor Shellfish Farms, a family-owned firm which grows clams, oysters, mussels and geoducks - giant burrowing clams that weigh more than a pound - bought five fish farms in British Columbia last year. The firm, which has operated in Washington state since the late 1800s, did so in part because efforts to expand closer to home were stymied. "The regulatory climate presents some monumental challenges," says Bill Dewey, a Taylor executive.

Efforts to bring the industry and environmentalists together have made some headway. Last year, a task force of fish farmers, scientists and policy-makers convened by the Woods Hole Oceanographic Institute produced a 128-page report on "[Sustainable Marine Aquaculture](#)" that recommends for promoting aquaculture while protecting the environment. It's available for download from the Pew Charitable Trusts, which financed the effort.

Rebecca Goldberg, a senior scientist at Environmental Defense and task force member, says her group supports aquaculture so long as proper environmental standards are in place.

In fact, Environmental Defense's [Oceans Alive list of the best and worst seafood choices](#) recommends farmed clams, oysters and mussels. But she opposes the administration's bill. "It gives way too much discretion to NOAA."

In the meantime, China has become the biggest exporter of farmed fish to the U.S. Let's just hope the Chinese grow fish more carefully than they make pet food. ■