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Away from Blue Growth and towards the Blue Commons?

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Overview: This paper presents a critique and alternative perspective to the mainstream 'blue economy' growth model, and is in part a reflection on the presentations and outcomes of the Nairobi 'sustainable blue economy' conference of November 2018. The blue economy concept, and strategies of 'blue growth', are failing small-scale fisheries. While originally intended to shift the ocean economy towards ecological sustainability and poverty reduction, it is now promoting investment in sectors that threaten SSF and coastal communities in many parts of the world. What is now known as 'blue growth' is based on the claim that transitioning to a blue economy must be driven by private investors, and is a tremendous business opportunity. But it is unlikely this will save the ecosystems on which SSF rely, while it will not curb escalating inequality. An alternative perspective is needed, which must reject the promise of more economic growth, dependence on private financing and market-based systems for conservation, and it must include bold systems of redistribution. In developing this alternative, the slogan of blue economy must be re-evaluated; it has been corrupted. The concept of the 'blue commons' may better serve the aspirations of the SSF sector.

Introduction

The blue economy has now become the dominant motif of international efforts for coastal and marine conservation and development. It has been presented as a remarkable global reform effort that will rescue coastal communities and fisheries from imminent ecological disaster, expanding opportunities for economic growth.

This new vision is often described as an outcome of the United Nations Conference on Sustainable Development in 2012 (Rio+20). It was initially envisioned as part of the green economy concept; marine and coastal sectors, including fisheries, were integral to UNEP's landmark document 'Towards the Green Economy', published in 2011.[1] A stand alone publication prepared for Rio+20 was entitled the "Green Economy in a Blue World".[2] At the request of small-island states and other marine focussed organisations, the event endorsed the notion that the green economy for the blue world could be described as the blue economy.

As is the case for the green economy, the need for the blue economy is a grim take on 'business as usual'; a catch phrase for what will happen if we do not implement the green/blue reform agenda. Due to pollution and the acidification of the seas, substantial wildlife and their habitats, including coral reefs and fish populations in the tropics, will be decimated over the next few decades. Despite the enormous wealth presented by coastal and marine resources, systems of production and trade are failing to benefit millions of people. According to its champions, the blue economy concept represents a radical and bold way out of the crisis. In brief, the following are the main messages conveyed at Rio+20 and tend to be evident in most presentations on the blue economy today:

- Despite the growing social, economic and ecological crisis, technology developments and greater increased scientific understanding mean we are closer to being able to make the transition to a blue economy.
- This transition requires substantial reorientation of sectoral investments away from 'brown' (i.e. environmentally dirty) sectors and jobs to 'blue' ones, (favouring low carbon and renewable energy sectors, for example) and concerted efforts to achieve efficiency gains (reducing waste and lowering carbon emissions).
- The ecological crisis represents a collective failure to value nature in the economy. We can correct this failure by pricing nature and the ecosystem services provided to the economy, and then ensure that these prices are integrated into investment decisions and market transactions. This includes ecosystem services that are paid for by those who benefit from them, and those responsible for their preservation are compensated.
- The transition to a blue economy presents considerable economic opportunities. If we succeed in creating the the blue economy then economic growth will be stronger than business as usual. Investing in the blue economy will accelerate economic growth.
- Implementing the transition requires governance reforms, and this includes better multi-stakeholder integrated management, involving tools such as marine spatial planning for example, which will ensure decision-makers are implementing holistic strategies, taking into consideration upstream and downstream effects.
- Finally, while this transition makes economic sense, a considerable obstacle lies with financing, which is needed for research, capacity building, funding innovative start-up businesses and, where necessary, retraining workforces that were otherwise employed in brown and unsustainable sectors. So, new thinking is required on innovative financing mechanisms, including the need to draw in more private funding, which will be achievable when the economic case of the transition is understood.

In the run up to Rio+20 in 2012 the

European Commission developed the world's first official 'blue growth strategy'.[3] Since then, blue growth or blue economy strategies and projects have been provided by UNEP, FAO, the Global Environment Facility, the World Bank, the Commonwealth Secretariat, and it is also now at the forefront of work undertaken by leading international environmental non-government organisations (ENGOs), including The Nature Conservancy, the Environmental Defense Fund, WWF and Conservation International. This has also galvanised a growing number of partnerships between international organisations, ENGOs, investment banks and multinational corporations, of which Credit Suisse and Goldman Sachs are prominent.

Of the many international meetings on the theme, in November 2018, the governments of Kenya, Canada and Japan co-hosted the 'sustainable blue economy conference' in Nairobi, sponsored by the UN, the World Bank, the African Union, the European Union and 11 other countries. Held six years from Rio+20, this provided an opportunity to see how the blue economy concept is taking shape, particularly as applied in Africa.

Blue growth and concerns from the small-scale fisheries sector

The implications of the blue economy concept for small-scale fisheries (SSF) is clearly important. The general trend suggests policy discussions and investment decisions affecting fisheries will increasingly be integrated within wider blue growth strategies. For example, the World Bank, the largest international donor for fishery reforms, recently renamed its 'profish' programme (a multi-donor trust fund for fisheries projects) as 'problue'.

At a national level, we are seeing the establishment of blue economy departments and ministries that also cover fisheries in their portfolio. For example, in the run-up to the Nairobi conference, the Kenyan government renamed its fisheries ministry as the Fisheries and Blue Economy Ministry. For its part, echoing what many others are saying, the Commonwealth Secretariat describes the blue economy as marking a 'new approach' to the management of fisheries.[4]

However, the emergence of the blue economy concept has coincided with other international efforts to promote sustainable fisheries and responsible governance of ocean resources. This includes two international guidelines that were developed by the UN over a number of years in close collaboration with SSF organisations and finalised at roughly the same time as the blue economy concept was popularised through Rio+20. These were on Securing Sustainable Small-Scale Fisheries and on the Responsible Governance of Tenure for Land, Fisheries and Forests.

Combined, these guidelines are considered an enormous achievement by those working on the rights of SSF. They establish the value of SSF to livelihoods and food security of millions of people; the principles for ensuring SSF are protected from arbitrary and unfair decisions by governments and companies, and how political and social rights of SSF must be respected and made justiciable at the national level. Implementing these guidelines is a key focus of advocacy work by SSF organisations today.

A key question for SSF organisations is the extent to which the blue economy agenda is compatible with these guidelines?

The image of the blue economy, as presented in Rio+20 by UNEP appears favourable to SSF; a sector that is generally low carbon, localised and labour intensive; providing substantial employment and food security for large numbers of men and women who are economically and politically marginalised, and will become far more so under business as usual. Moreover, the blue economy concept seems to favour the SSF sector over industrialised commercial forms of fishing and fish processing. This was made clear in UNEP's initial characterisation:

"At the core of the Blue Economy concept is the de-coupling of socioeconomic development from environmental degradation…Efficiency and optimisation of resource use are paramount whilst respecting environmental and ecological parameters. This includes where sustainable the sourcing and usage of local raw materials and utilising where feasible "blue" low energy options to realise efficiencies and benefits as opposed to the business as usual "brown" scenario of high energy, low employment, and industrialised development models."[5]

In its summary of 'Towards the Green Economy', UNEP also recognised chronic overcapacity in the fisheries sector, but claimed that necessary restructuring should be approached in ways that promote and protect SSF:

"In the case of fisheries, greening the sector would lead to a loss of jobs in the short and medium term due to the need to reduce fishing effort, but this can be done equitably by focusing job cuts on a small number of large-scale fishers. Additionally, a substantial number of jobs would grow back by 2050 as fish stocks are recovered. During the downward adjustments in the labour market, however, effective policies and measures need to be designed in dialogues with workers, employers, and communities to ensure a "just transition"".[6]

Such statements suggest the blue economy vision may be compatible with the international guidelines, and promote a reform agenda in the interests of the SSF sector. Yet there are several reasons why the blue economy concept, and strategies of 'blue growth', are an existential threat to SSF, and should be rejected.[7] The 'just transition' conceived by UNEP is hard to find, while the opposite seems common.

The critique of blue growth can be simplified under four main themes:

1. Saving nature as a business opportunity?

A fundamental threat to SSF presented by the blue economy vision, or blue growth, is that it represents a failure of leading international organisations to address the ecological disaster that will destroy coastal fisheries. Recent scientific evidence suggests the impacts of climate change on destroying coastal ecosystems is going to happen much sooner than was previously thought, and it is likely to happen most seriously in populous areas of the coastal tropics, where the SSF sector provides an irreplaceable source of food and income security.

At the heart of the problem is the promise that nature can be saved by making economies that depend on it more profitable. In order for this to be achievable, blue growth strategies are based on a simple belief; it is feasible to decouple economic growth from natural resource depletion.

Advocates of blue growth say there is proof on decoupling, including data produced by organisations such as the OECD and the Intergovernmental Resource Panel (IRP), which was established by UNEP and given the task of studying this subject.[8] Based on initial findings of the IRP, in 'Towards the Green Economy' UNEP state that there does not need to be any trade off between environmental stability and economic progress, and that this has become a 'myth' that must be 'debunked'.

However, the findings by groups such as the IRP on decoupling have shown that the relationship between growth and natural resource depletion varies between countries; some countries have managed to grow while consuming fewer natural resources than others, and other countries have consumed more than others without growing as much. Thus 'relative decoupling', which means reducing natural resource depletion while maintaining economic growth, is possible and can be strengthened. But there is nothing to show that it is possible to accelerate economic growth and then achieve anywhere near the reduction of natural resource depletion that would avert widespread ecological collapse, including of marine ecosystems. Indeed, a growing number of studies demonstrate that it is impossible to achieve 'absolute decoupling' that UNEP and others, including the World Bank believe. The available empirical evidence is hard to refute.[9]

What is clear is that meeting the conservative targets set by the Intergovernmental Panel on Climate Change (IPCC), which are needed to avert the extinction of large numbers of ecosystems and the collapse of industries such as coastal fisheries, is only possible by combining huge progress in decarbonising the global economy with a massive reduction in global consumption. The IPCC has been criticised as too slow in recognising this, but in its latest report published at the end of 2018, it describes how the world economy can deliver on its targets only if very ambitious policies of decarbonising the economy, equating to about an 11% reduction every year from now until 2030, are combined with cuts to global material consumption of about 20% of today's levels.

Reducing carbon emissions by 11% annually is a staggering proposition. The IPCC report estimates that if governments delivered on all their pledges under the Paris Agreement, then at most a reduction of carbon emissions of between 3 to 4% could be achieved.

In an article in 'Foreign Affairs', where these realities were set alongside prevailing confidence in economic growth being green and sustainable, the author put it plainly; "It would be difficult to state how dramatic this trajectory is. It requires nothing less than a total and rapid reversal of our present direction as a civilisation".[10]

The dangerous fallacy of blue (and green) growth paradigms is that we can have both continued economic growth and blue economic sustainability. The answers to the catastrophic affects of increasing pollution and climate change must be found in a substantial reduction of consumption. This must happen at tremendous pace at global level, led by those nations with the highest per capita consumption of resources.

Reflecting on the impossibility of saving nature by continuing with economic growth is a defining omission from the blue/green economy agenda. A commitment to economic growth remains sacrosanct.

There are of course positive elements to blue growth strategies; quite a number of countries have linked the blue economy to a commitment to promote renewable energies and to reduce single use plastics, for example. But because they are all wedded to growth and ignore the urgent debates about reducing consumption, blue growth strategies can only hope to display incremental improvements. Indeed, what has become apparent is that the overwhelming focus on blue growth strategies have been on exploiting the business opportunities. Concern for the ecological imperative is fading among many organisations. What is left is a cynical use of blue growth as a new frontier of corporate profit making.

This unbalanced view can be seen in the statements made by many of those promoting the blue growth agenda. For instance,Carlos Lopes, the UN Under Secretary General & Executive Secretary of the UN Economic Commission for Africa, wrote in 2016 that 'Africa's blue potential remains untapped', and 'what lies deep beneath the surface is clearly an opportunity not to be missed.'[11] The Commonwealth says the blue economy "recognises the need to maximise the enormous economic potential presented by the ocean while preserving it".[12] Similarly, Credit Suisse characterises the blue economy as "a life-supporting system filled with unprecedented economic opportunities", and it "is a market in the making with growing opportunities for investors".[13]

So, many leading organisations allow the sustainable blue economy to cover everything that happens in coastal areas and at sea. For example, the EC describes the blue economy as all the individual sectors that depend on marine and coastal zones, which in their entirety can be grown but in ways that must 'respect' the sustainability of the oceans. It includes sectors that would not be associated with the green economy concept, and in fact have no need in sustaining ecosystems, such as the oil and gas sector, as well as commercial shipping and port building. In 2018, the EC published a report on the size of the blue economy in the EU, which stated that the oil and gas sector and coastal tourism, were by far the largest sectors of the blue economy. Under this interpretation, the UK, due to its large offshore oil and gas sector, had the largest blue economy in the EU.[14]

The result of using such a broad definition is a commitment for transitioning to a low carbon 'sustainable' economy, while leaving the door wide open for further growth in sectors that will continue to contribute to pollution, carbon emissions and habitat destruction.

Reports and statements on growing

the blue economy are dangerously muddled, and 'blue washing' happens with very little resistance. A stakeholder analysis of the blue economy vision published in Marine Policy, written by a National Geographic journalist highlights this well.[15] This cites Maria Damanaki, a former European Minister for Fisheries and Maritime Affairs, who spearheaded blue growth for the EU and has since worked for the Nature Conservancy as their global head on marine conservation. The article quotes Damanki's as saying that millions of new jobs and substantial economic gains can be made, but only if blue growth 'is investing in marine ecosystems, and not just exploiting them'. The distinction between the two is unclear; how can millions of new jobs and enormous economic gains be made without exploiting natural resources?

It follows that pledges for blue growth at events such as those in Nairobi are made without concern about the future of marine and coastal ecosystems. Coastal and offshore mining was explicitly depicted as an opportunity for countries at the Nairobi conference, and promoting investments in these sectors was one of the pledges for achieving blue growth by some African nations (South Africa, Namibia, Mozambique). Japan, as cohost, pledged investments for the development of ill-defined "economic corridors" in Africa, while Italy pledged money to invest in building and renovating regional shipping ports. Promoting international 'eco-tourism' was among the pledges made by China.[16]

Because the blue economy has taken on the image of being a business opportunity, events such as the one hosted in Kenya have a strong trade fair element to them. The 'business and private sector forum' in Nairobi, attended by over 3000 participants (far larger than any other), reported that "35 Bankable Projects worth US$14.3 billion were packaged as well as 40 pipeline projects from 14 counties". Details of exactly what these projects are and how they would improve the sustainability of marine ecosystems were not reported.

2. The inclusive economy, and the realities for SSF

The problem of decoupling growth from saving nature extends to the notion that growing the blue economy would reduce inequalities and would be done in a way that would achieve 'inclusive growth'. As with the ecological promise, this is an enormously ambitious project and would require a fundamental reversal of the trends unleashed by global capitalism. But, there is little evidence to suggest this is given much thought in blue growth statements and projects. Reports on blue growth strategies provide no evidence that the proposed policies will make any lasting impact on poverty.

In the Nairobi conference the growing inequality produced by 'business as usual' was noted in the final report. One of the challenges was identified as "82% of the wealth generated in 2017 went to the richest 1% of the global population".[17] But what ideas followed? The list of solutions were skills training, more collaboration between developing countries and industrialised countries, and increased investments.

We find a similar recipe in other reports on the blue economy, including from the World Bank and the Commonwealth Secretariat. Inequality is depoliticised, it has no historical framing, and is therefore largely treated as a technical dilemma, which will apparently decline through capacity building, technological transfer and stimulation of new 'blue jobs'. A fundamental question of how coastal communities in developing countries are in fact going to benefit from increased investments in sectors such as commercial fish farming, eco-tourism, real estate development, coastal and off-shore mining and port building, remains largely unexplained. These are all sectors where investments are likely to be led by foreign companies and capital, and the distribution of the resulting wealth at the local level must be considered problematic; vulnerable to elite capture, for example.

The flaws evident in blue growth to ensure this is ecologically sustainable and 'inclusive' therefore suggest the insecure position of SSF. For instance, whereas UNEP originally envisaged the blue economy concept as restructuring the fisheries labour market to phase out industrial jobs while protecting the SSF sector, one does not find this message in other statements and visions. Now SSF are usually overlooked and marginalised in blue growth visions and practices.

This may've been been caused by the way in which prominent organisations depict the value of the blue economy. There is a strong emphasis given to economic indicators, with the blue economy regularly described by its contribution to GDP.[18] UNEP warned of this mistake in 2011, but by insisting the transition to a blue economy will be better for the economy than 'business as usual', it has ensured that success is thought about in macro-economic terms.

In choosing this approach, fisheries becomes a relatively small sector,. It appears to have much less value than others. The EC, for example, has focused its blue growth strategy on five sectors due to their importance for economic growth. These are aquaculture, seabed mining, tourism, marine biotechnology and shipping. Fisheries is not included. The objective of the EC blue growth strategy is therefore to exploit the blue economy in ways that maximise economic gains. It too has lost a strong sense that the blue economy was a transformative agenda that would combine ecological and social progress.

What is unsurprising in all this, blue growth in Africa has managed to support the further expansion of industrial fisheries. Thus, shortly before the Nairobi conference the government of Madagascar announced a bi-lateral agreement with a Chinese state owned company to allow over 300 fishing vessels into coastal fisheries in return for a pledge of investments totalling US2.7billion. The investment was presented as something that will benefit coastal communities, and the government labelled it as part of its 'blue growth strategy'. Similarly, Kenya at the Nairobi conference drew attention to its own blue growth strategy, which involves tax incentives for the modernisation of tuna fisheries, expressly designed to transition the fisheries away from being artisanal to being export oriented and commercialised.

Such examples are probably not what international organisations, such as UNEP and FAO want to encourage. But it is a hazard that derives from the overall framing of blue growth being an investor opportunity and where the concept of growth is defined narrowly as one of economic profits.

The precariousness of the SSF is also evident in other ways. In 2017 the European Parliament commissioned a study on the implications of the EC's Blue Growth Strategy on SSF.[19] This noted that there are potential socio-economic synergies between blue growth sectors and SSF. However, it also argued that increased investment and growth in all of the five blue growth sectors bring risks of not only reducing the abundance of fish, but also restrictions in fishing zones caused by the use of the sea and coastal zones by these other industries. Thus, through blue growth, coastal communities and fisheries face continuing 'enclosure'; the loss of spaces that were previously open to large numbers of people. This problem was made clear in the Guidelines for Securing Sustainable SSF. In its preamble it stated:

"Small-scale fishing communities also commonly suffer from unequal power relations. In many places, conflicts with large-scale fishing operations are an issue, and there is increasingly high interdependence or competition between small-scale fisheries and other sectors. These other sectors can often have stronger political or economic influence, and they include: tourism, aquaculture, agriculture, energy, mining, industry and infrastructure developments."

These are the sectors commonly identified for blue growth, and apparently require a transfer to private ownership of resources and land that are vital for the SSF sector.

The final report of the Nairobi conference conspicuously lacked reference to the costs posed to coastal fisheries if other sectors are developed, and the entire event validated fears that SSF can be marginalised as a result of the excitement in blue growth opportunities. While the conference gave a platform to heads of state, CEOs of multinational corporations in shipping, mining and real estate development, as well as several international ENGOs, there was not one representative from SSF, including women from the post-harvest sector, involved in any of the main panels.

3. The spectre of growing market-based systems for conservation

Alongside reorientation of sectoral investments, the ecological and social benefits of blue growth, it is claimed, will also be created by commodifying ecosystem services. This policy is perhaps more advanced in the green economy sphere, and there has been less progress in the blue economy. Nevertheless, a significant proposal attached to the blue growth agenda is the development of a blue carbon market, following the examples of land based carbon trading schemes, such as those derived from Reducing Emissions from Deforestation and Degradation (REDD). Again, this is a policy that is presented as something in the interest of developing countries, notably coastal communities and fishers in particular. Creating a global market for blue carbon has been promoted by the UN for over a decade, and is now listed as an objectives of the FAO's blue growth initiative, and is supported by the World Bank and others. So far, however, financing for blue carbon has not taken off.

Thus, only a few blue carbon pilot case studies exist. Some have traded carbon credits in the international voluntary offset market. But payments could also work in other ways, as they do for REDD, such as bi-lateral transfers to countries or communities in return for a commitment to protect blue carbon sinks, such as mangroves, salt marshes, and seagrass beds.

As a was to reduce carbon emissions, carbon markets have been dismal failures.[20] This is partly due to their voluntary nature, which means they are not existing anywhere near the levels needed to have a global impact. Bilateral transfers to countries, on the other hand, have also failed, such as Norway's agreements with Brazil, Guyana and Indonesia that have provided millions ofEuros on the condition that these countries would reduce carbon emissions by reducing predicted rates of deforestation.[21] Simply paying governments not to cut forests down as fast as they may have done has provided some governments with a great deal of money, but their commitment and ability to withstand the demands of other sectors, such as mining and commercial agriculture, has been limited.[22]

That enormous sums have been spent on schemes such as REDD, without a much success, shows that promoting blue carbon is based on faith, not proof.

Yet there are a host of other serious problems, which suggest SSF should be concerned about the further development of these payments for ecosystem services.

If payments to developing countries continue to operate in a carbon offset market, then they ought to be rejected as a solution to addressing carbon emissions in industrialised countries. Critics have pointed out that storing carbon in forests is not the equivalent of burning carbon via fossil fuels. Chemically they are different processes, and one is a temporary arrangement, the other is irreversible. Therefore it is objectionable that forest conservation or avoided forest degradation in one location is used to offset carbon burnt elsewhere from fossil fuels. The same objection applies to blue carbon schemes.

The process of commodifying carbon stored in nature is also expensive. Community based schemes in rural developing countries almost inevitably require expensive consultants to undertake measurements and ongoing validation of results. These costs can be subsidised by donors, but the resulting value of 'credits' are more readily available to those that can trade them internationally.[23] Coastal communities and SFF do not have this ability to trade ecosystem services on international markets. Carbon projects therefore require long-term business partnerships between communities and foreign organisations, and frequently these relationships have skewed benefit sharing arrangements. Resource users have to agree to stop doing things they would otherwise need to do for their livelihoods, but in return for a fairly small monetary compensation.

Moreover, there have been persistent claims that the process in which carbon is commodified for payments have caused an unfair transfer of rights over natural resources away from traditional resource users and into the hands of governments or foreign companies. As such, REDD has been strongly rejected in global campaigns for indigenous forest peoples and organisations working to stop land grabbing.[24] None of these well-established criticisms and conflicts has made its way into the blue growth agenda.

This uncritical acceptance of controversial market-based mechanisms for conservation was taken a step further at the Nairobi conference. A US-based company was invited to give a key note address on the civil society panel on its ‘international marine mitigation bank’.[25] According to its marketing material, it offers credits to companies that destroy ocean habitats, such as mining companies, that are then used to finance the building of artificial coral reefs elsewhere, for which it is also the service provider. This does not seem favourable to SSF organisations either. Indeed, it begs the question of whether fishers who have had local habitats destroyed are to be relocated to the new restored ones, what compensation will they get, and how much of a time delay they should expect?

The overall problem with payment for ecosystem services is that transitioning to a more sustainable economy must involve considerable costs, including the strengthening of environmental regulations and levies, and difficult reductions in many existing economic sectors. That is, any reference to ‘business opportunities’ must be made contingent to the sacrifices and ‘losers’. But the mindset of valuing natural capital so it can be traded manages to keep costs largely hidden from view, with optimism that everyone can be richer from the process. In doing so the blue growth agenda remains silent on issues of *climate justice*; that historical beneficiaries of climate change have a duty to cut emissions first, and they should compensate those most negatively affected. Instead, the problem becomes a new *market opportunity*.

This business friendly approach evident in blue growth statements can be contrasted by alternative responses. The government of Vanuatu, for example, has said it wants to sue multinational fossil fuel companies, and the countries that support them, for their role in creating climate change given the enormity of the damage facing its people, including the loss of fishing.[26] This was not reflected in the debates at the Nairobi conference, and is absent in the mainstream blue economy vision, which can be described as consensual solution where big business and industrialised countries are defined as the key partners to success.

4. Financing blue growth

At the core of the blue growth agenda is the assumption that in order for countries to transition to the blue economy, huge new financing is needed. UNEP’s original study on transitioning to a green economy spoke of various sources of this finance, including tax reforms, subsidy reforms and scaling up private investments. Yet it is the last of these that has received the largest support.[27]

Leveraging private investment is a central organising principle of the work of many of the leading organisations promoting blue growth, particularly Western ENGOs, as well as the UN and the World Bank. Hence the number of private sector partnerships on the blue economy, including with banks such Credit Suisse and Goldman Sachs.[28]

One of the most significant events on this theme is organised by the Economist Group. Every year it hosts the World Ocean Summit, where the central theme is debating how transitioning to a blue economy can generate investor opportunities. These meetings, hosted in some of the world’s most prestigious ocean front hotels, are unapologetic in targeting the world’s global elite. They have become akin to Davos for the oceans. SSF organisations are again almost entirely absent from the list of speakers, and the cost of tickets to attend is prohibitive (in 2018, US$2,800).

The vision for reaching and then maintaining the the blue economy is made contingent on global financial markets. An argument for why this is necessary is that public and philanthropic funds, considered as the traditional source of financing for conservation and sustainable development projects, are woefully insufficient. Blue growth is therefore led by the search for a new type of 'asset class'; projects that deliver triple wins—good for the environment, good for communities, and good for investors. The implicit claim is that when these materialise at sufficient scale, progress towards the blue economy will be achieved at pace.

Development agencies and development banks use this claim of a 'funding gap' to advance blended finance, whereby their funds are used to leverage larger funds via partnerships with private investors. Organisations such as the World Bank, The UNDP, the Commonwealth Secretariat, the Global Environment Facility, as well as several Western ENGOs, have been promoting the use of blue bonds, for instance; a bond issued by governments or companies for which the use of proceeds is reserved for ecologically and socially sustainable spending. Over a decade after launching the first green bond, the World Bank and the UN facilitated, via a grant and investor guarantee, the government of Seychelles to issue the world's first blue bond in 2018.

The rationale behind the financing of blue growth is unconvincing. A key assumption is that governments are simply incapable of funding this transition without the help of much larger private investments. In reality, insufficient public funding is a political choice. IMF researchers have calculated that governments provide direct and indirect subsidies to the fossil fuel industry of about 5 trillion dollars a year—far more than has been proposed by the Intergovernmental Panel on Climate Change for reducing carbon emissions, for example.[29]

A report by Climate Transparency documents how governments of most G20 countries have increased subsidies to the fossil fuel industry over the past 10 years, despite scientific advice not to do so, partly because of sustained lobbying by oil and gas companies.[30] At the same time, subsidies for cheaper renewable sources of energy have declined. It is also well documented that the major fishing nations continue to provide billions in capacity enhancing subsidies for industrial fisheries, and that internationally small-scale fisheries likely receive less than a quarter of the amount in government support, even though they generate more employment and make a far higher contribution to food security.

In brief, the core argument of a funding gap for the sustainable blue economy is therefore misleading. What is also worrying from the perspective of SSF is the absence of any critical reflection shown in blue growth visions on the well-known risks of emphasising private investments to achieve developmental and ecological objectives.

One basic criticism of this financing strategy is the extent to which it can target the most marginalised sectors and groups. The shift to private financing encourages government support to projects and sectors with higher economic returns.[31] Sectors like small-scale fisheries are not generally 'investor friendly', and are therefore usually bypassed. What is more, in the effort to attract private investors, there is a moral hazard of relaxing social and environmental safeguards, and to ensure rules of investments are not overly burdensome on foreign firms. Thus, the EC reports in its evaluation of its own blue growth strategy that it was able to stimulate investments in the fish farming industry by reducing 'red tape'.[32] One can guess that this means reduced protective regulation of environmental safety and local living conditions.

The increasing role of private investors in funding projects and service delivery also increases the likelihood that public services will be privatised or outsourced. This is evident, for example, where donors have promoted public-private initiatives in the health and educational sectors in Africa, which in turn has caused a substantial increase in the costs of service delivery, and dubious claims of increased efficiencies. It is uncertain whether the same risks apply to the blue economy, although it is possible that services such as maritime security and the management of marine parks are areas where private financing could induce more privatisation?

The reform to ODA is also explicitly orientated to increase borrowing and therefore debt, which should raise concerns about a future financial crisis.

Over the past decade, when these policies have been 'mainstreamed', African countries have raised more money through international financial markets, while the flow of development aid has stagnated and started to decline. The rate of borrowing, and the high interest rates and repayment schedules, have been unsustainable. Several countries have therefore defaulted on these new debts, meaning they have been forced into restructuring by the IMF and World Bank, which has required further market liberalisation and reduced public spending on social services.[33]

Encouraging green and now blue bonds must face similar problems, as it is easy for governments to use them to spend money for short term benefits while leaving the public to pay off the debts later.[34]

As such, the problem of prioritising private finance for the blue economy is closely related to a lack of national sovereignty. What is overlooked in financial instruments, such as blue bonds, is they necessitate powerful intermediaries—brokers of the deals that connect governments with foreign financial investors. These intermediaries, such as environmental NGOs, achieve significant influence over domestic policy making. It is a similar risk associated with the development of carbon trading programmes.

Finally, the ability of these interrelated risks to be controlled or better regulated is eroded by the idea that to encourage investors, oversight and accountability measures should not be too strict, on the dubious grounds that this would inhibit 'innovation'. This has been a claim used to justify not imposing strict standards on defining what is green about green investments, including green bonds. It is preferable to leave this up to the private sector to interpret.[35]

Indicative of this mindset, in March 2018, the WWF, the European Commission, the European Investment Bank and the Prince of Wales Charitable Trust finalised the Blue Economy Sustainable Finance Principles.[36] These are voluntary guidelines for investors to sign up to to ensure their investments in the blue economy are sustainable for the environment and communities, although what in fact is meant by sustainability is vague and open to several interpretation. Nothing in these principles provides an assurance to SSF that 'blue washing' can be averted.

In sum, the architects of blue growth remain confident that threats to coastal communities from an intensification of private sector investments can be resolved through market-friendly voluntary standards.

Moving Away from Blue Growth

Undoubtedly there are things being done under the slogan of blue growth that are good, such as moves to reduce plastic in the oceans. Yet the blue economy vision is deeply worrying.

Most obviously, there is an unjustified belief that economic growth and profit maximisation can be easily re-orientated in a way that is amicable to private investors so that they can play a leading role in saving nature and ensuring wealth is redistributed more fairly. The lack of any evidence that this is likely to work has not deterred the proponents of blue growth to remain steadfast in their beliefs.

Blue growth therefore manages to present a path to ecological and social justice that is devoid of costs or social conflict. It requires almost no change to existing institutions or political relations. As such, it is not a radical departure to business as usual. It is a convoluted and ambiguous strategy that ends up valorising global capitalism as the only way out of the crises that global capitalism created.

Blue washing is evident in many places. Champions of the blue economy concept may argue that this can not be blamed on the vision. There is no doubt that the authors of UNEP's work on greening the blue economy did not want blue growth strategies to favour foreign industrial fisheries in Africa, or the expansion of coastal and marine mining, for example. The reports produced for Rio+20 argued in favour of small-scale fisheries, and organisations such as the FAO still believe it should be. Yet in 2018 one of the largest meetings on the sustainable blue economy provided hardly any support to the SSF sector. This appears as a reflection of the hazard of choosing to emphasise the commercial profits from the blue economy.

For SSF organisations the blue economy concept and the blue growth agenda it has spawned must be viewed with distrust. It is incapable of addressing the ecological crisis that will destroy the ecosystems that SSF depends on. Emphasising the importance of sectors in the blue economy for private investors and national economic growth, will further marginalise them. Policies such as blue carbon trading are being promoted without evidence of their effectiveness or concern about their social and distributional impact. Moreover, as a result of orientating the blue economy to the interests of private capital, it is likely to erode democratic accountability and forms of local control and ownership over natural resources. There is a great risk that blue growth will cause a continuing privatisation of resources, meaning access for coastal communities will diminish. The logic of blue growth is that value is only produced through marketisation; it cannot recognise value in publicly owned resources that are freely available.

The task facing SSF in confronting blue growth is daunting. The sheer number of organisations promoting this agenda, and their huge resources and political influence, is intimidating. Somehow the contradictions and flaws of blue growth must be publicised, and the framework for an alternative approach must be strengthened.

Implementing the principles of the two international guidelines must remain part of this strategy. Sadly, the global interest in the blue economy came precisely at the time when these guidelines were being finalised, and there is no doubt that global awareness of them and the need for their implementation have been overshadowed by the excitement generated by the blue growth framework.

Therefore, principles contained in the guidelines must be taken forward into a vision that explicitly takes on the limitations of the blue growth agenda.

What could this vision look like? The preceding critical analysis of blue growth suggests several interrelated alternatives, and support for these is growing in a range of social movements that are focussed on the fallacy of the green economy and neo-liberalism more generally. As such, a rival view to blue growth is already in the making. Here we can conclude by touching on some of the key elements that shape a discussion to envisage an alternative to blue growth:

Alternatives to growth: The most critical debate emerging as a response to green growth centres on the fallacy of economic growth itself. Arguments for de-growth or a steady state economy have a long tradition, but are becoming more urgent (and popular) with the realisation that high growth is incompatible with saving ecosystems, while it is also producing enormous inequalities and social ills. Doubts surrounding the movement for de-growth consider the extent to which it is politically feasible, and more importantly how it could work in practice in developing countries and for those suffering extreme levels of poverty. Should de-growth happen in industrialised countries first, leaving room for developing countries to ‘catch up’? Or, is it a fallacy for developing countries to imagine that they will be any better off by pursuing Westernised, neo-liberal growth paths? These are issues at the forefront of events such as the annual international conference on de-growth, of which the latest was held in Malmo Sweden. While the de-growth agenda may not be settled, it is unavoidable that SSF organisations must grapple with this issue, otherwise criticising the ecological and social fallacies of blue growth will lead to a dead end.

Systems of redistribution: The vexed question of de-growth in a context of extreme inequalities, leads into critical discussions of redistribution. The blue economy vision is vague on this, and it does not appear particularly important to its pursuit of more profits. However, the issue of redistribution must be given central importance in alternatives to the blue economy.

It is impossible and objectionable to imagine any reduction in consumption on a regional or international level without redistribution occurring simultaneously. Moreover, addressing inequality and forms of insecurity is a prerequisite for producing communities that are able and willing to live within natural resource limits. Thus, whereas some blue economy visions talk of reducing over-fishing as a means of increasing the income of fishing communities in the long-term, the opposite may be equally important. Sustainable fisheries are dependent on coastal communities having basic human and social rights, including adequate levels of income.

While there are several proposals for systems of redistribution that could inform a rival view to blue growth, arguably the most well supported among the movement fighting green growth lies with a universal basic income. This would see every citizen provided with a regular and unconditional cash payment. The impact this would have on coastal communities and fishers and fish workers would be profound and liberating.

Systems of finance: One of the main arguments against basic income is that it cannot be afforded. Advocates disagree, and a range of proposals exist on its financing. Here (as we have elaborated on elsewhere[37]) the concept of basic income combines well with an alternative to blue growth financing, which is one that is based almost entirely on private financial investors.

A specific proposal for paying for basic incomes is a combination of public savings from ending 'dirty subsidies' and increasing taxes on industrialised, carbon intensive industries. These measures have a dual objective of reducing carbon emissions, while simultaneously providing the level of funds that make a basic income viable. Both of these measures contrasts entirely with the concept of carbon trading, which in a rival vision would be rejected completely.

Rather than allow for these funds from exploiting nature to pass directly to government budgets, a proposal is to deposit the income into a sovereign wealth fund, which would be overseen by an independent body and have its own strict guidelines or constitution. Income from non-renewable resources could be invested and only the dividend from this investment would be available for spending, which would go some way to respect inter-generational equity.

This idea of using resource income to fund a basic income has gained political support, and recent work on this suggests a majority of US voters support it, and apparently the use of a fossil fuel tax for a basic income has the backing of several multinational oil companies. Critics suggest this support is due to favouring a carbon tax as opposed to more stringent laws that reduce total allowable emissions, although these are not mutually exclusive, and could be combined.

As a rival financing approach to the blue economy, is could be taken further to include other levies on maritime sectors, including land rate taxes, coastal tourism levies and perhaps proportion of fees paid by foreign fishing vessels to access domestic waters.

Reviving the commons ideal: Finally, all of the above proposals point towards the unifying concept of living the commons ideal. It is a contested subject, but it derives from strong objection to neo-liberalism evident in the green and now blue economy agenda. As noted above, what is happening through these agendas is the enclosure of otherwise commonly owned spaces and resources, coupled with the strengthening of government and private systems of control. Blue growth is a reflection of a world view in which value equates to private riches, as opposed to the public wealth that derives from shared resources.

While the 'commons' narrative remains open to differing visions, the salient theme is for the need to recognise the importance of spaces and resources that operate as publicly shared goods; that is, there is much that is precious to society that should be inalienable (not for sale). Moreover, the commons ideal provides an alternative vision of how these commons can be managed. This is based on neither market control or state authority, but a form of collective ownership that promotes the values of sharing and reciprocity. Advocates of the commons know this is extremely hard to achieve, although there are many positive examples to draw inspiration from. These demonstrate that people are not intrinsically selfish and materially orientated as neo-liberalism assumes.

The concept of the commons is therefore a vital countermovement to what we see in blue growth. It takes further the ideal of community co-management in fisheries, and confronts the dangers to communities raised by the privatisation of property rights, such as tradable fishing quotas.

Yet, reviving the blue commons goes beyond the fisheries sphere, and includes the importance of protecting land and coastal ecosystems from alienation and enclosure, as well as the undemocratic systems of control that are too often presented as 'partnerships' by blue growth advocates. The commons requires more serious political reforms, such as the establishment of legally recognised and funded local civic assemblies or bodies.

Much more time and effort are needed to elaborate and deliberate on these rival policy ideas. They may not be the preferred path for SSF organisations, and there are several other complementary policies that should be considered. Yet the main point is that if blue growth is a clear threat to the future of coastal communities and SSF, then an alternative vision which adds to the principles contained in the international guidelines must be developed, and there are several progressive policy ideas and global campaigns that SSF can draw on and contribute to. In doing so, it is unlikely that SSF organisations will want to persist with the 'blue economy' concept. An alternative slogan is needed; 'the blue commons' is perhaps a useful proposal to consider, which would be joined by the notion of a blue commons fund. This offers a strong signal that what is talked about as the blue economy is part of a commonwealth, and growth through neo-liberal exploitation is not wanted.

This publication forms part of an initiative by the Coalition for Fair Fisheries Arrangements, the Swedish Society for Nature Conservation, Bread for the World and the Confederation of African Artisanal Fisheries Organisations that seeks to promote reform of fisheries in Africa based on the principles contained in the International Guidelines on Securing Sustainable Small-Scale Fisheries and the Guidelines on Responsible Governance of Tenure.

Notes:

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