

## Ambivalent Co-operators

Organisational Slack and Utilitarian Rationality in an Eastern Nova Scotian Fisheries Co-operative<sup>1</sup>

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**ABSTRACT** Employing case study data, we contend in this essay that the success of co-operatives among small boat fishers, in large measure, depends on the degree to which members remain loyal to the organisation, especially when dissatisfied with particulars of its operation. Furthermore, we contend that co-operatives' ability to cultivate and nurture this equality, referred to here as 'organisational slack,' is jeopardised by a Canadian Fisheries policy which rewards individualistically referenced utilitarian rationality.

**RESUME** En nous fondant sur les études de cas, nous démontrons que le succès des sociétés coopératives des pêcheurs indépendants (small-boat fishers), dans une large mesure, dépend de leur loyauté envers la société, surtout dans les cas où ils sont peu satisfaits de la gestion de la société en question. En plus, nous démontrons que la capacité de la société pour promouvoir ce caractéristique, que nous appelons *organisational slack*, est menacée par une politique du Ministère Fédéral de la Pêche (Canadian Fisheries) selon laquelle on récompense la rationalité utilitaire et individualiste.

### Introduction

Producer co-operatives within fisheries have been the subject of considerable interest on the part of community development organisers, fisheries social researchers and fishermen themselves (Jackson 1984; Jentoft 1986; Poggie 1980; Pollnac 1989; Siemens and Trudel 1984). Co-operatives have been considered by many as an attractive organisational form enabling independent, especially small-scale, producers to capture greater control over economic conditions key to their survival. For instance, fisher participation, as collective owners in community-based business ventures which buy, process and market marine resources, enhances the share captured by producers of the economic wealth generated from marine resources. A greater share enhances the material conditions of fishers, their families and their communities. Moreover, greater shares of fisheries generated wealth retained within fishing communities has the potential to generate spin-off economic activity that creates employment and development beneficial to the entire community and area in so far as it produces economic diversification, thereby reducing dependency on the fisheries.

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In addition, a co-operative is an attractive organisational form to many small boat producers because it maintains *independence*. That is, in joining a co-operative small boat fishers envision an organisation that will both reinforce and develop their independence from marine resource buyers and processors as well as enable them to capture an increased share of potential economic wealth. Important to their independence is the co-operative principle of *participatory democracy*; that is, participation enables fisher members a say in the general and daily decision-making processes. Consequently, participation in decision-making enables the members to reconcile their day-to-day concerns as clients with their broader interest as owners.

These factors have important implications for the viability of the co-operative as a business venture in competitive markets. Firstly, co-owners and active participants in decision-making and management, the members become attached and committed, so the argument goes, to the organisation, something that keeps the organisation together as a coalition in hard times. Attachment makes members willing to sacrifice some of their economic interests, at least in the short term. Secondly, the fisher's dual relation to the co-op, as co-owner and producer (client), has similar effects. If he loses as owner, he may still gain as producer (client), and vice versa. A third factor is also important for the viability of the co-op. Ownership participation provides a fisher member with an extra channel for expressing his dissatisfaction with the services of the co-op. He can use 'voice' in addition to exit, the latter being the only option in private capitalist firms to which the fisher's only relation is as producer/client (cf. Hirschman 1975).

Here lies the real comparative advantage of co-operatives over private capitalist enterprises. Attachment, dual relations and voice provide a "shock-absorbing capacity" (Löfgren 1972) in periods of crises, a situation which frequently occurs in the fishing industry. Or, to put it in Cyert and March's (1963) terms: co-operatives have "organisational slack." In private firms, slack often stems from incomplete information on the producers' side of what their alternative sales opportunities are, or to a time lag in adjusting the aspiration-levels to the actual economic performance of the organisation. In addition to these factors, slack in co-ops is also related importantly to ideology, personal commitment and active participation in an organisation which is literally theirs. It follows from this that fisheries co-operatives should be, *ceteris paribus*, more resistant to economic pressure when times are hard than is the case for private firms.

This paper traces the roots of the slack factor in ideology and members' attachment to an independent Eastern Nova Scotian fishermen's co-operative - The North Bay Fishermen's Co-op, located at Ballantyne's Cove, Antigonish County, Nova Scotia, Canada. To what extent is slack ideal or real? Considering the many failures of co-ops in fisheries (Jentoft 1986; Poggie 1980), there is a risk that slack either gets lost in the business process or that the slack factor unique to co-ops is not sufficient to make them viable.

In this case study we identify membership attachment and how it is converted into slack. In particular, we contend that, in spite of the formal aspects of the

co-operative organisation (i.e., dual relations, voice option, commitment to co-op principles), slack is something a co-op cannot take for granted. On the contrary, it has to be reproduced in business affairs on a daily basis. Crucial to the reproduction of 'slack' is participatory decision-making. Fisher members have to be involved actively in decision-making to feel attached and therefore willing to make sacrifices which permit the co-op to survive in the face of adversity.

We also contend that organisational slack, key to the survival and prosperity of fisheries co-ops, is jeopardised by the individualistic, utilitarian rationality inherent in and emphasised by federal government approaches to the management of access and participation in the small boat sector of the Atlantic Canadian fisheries. Through regulatory approaches such as limited entry licensing largely introduced in and developed since 1968, the federal government, in particular the Department of Fisheries and Oceans (DFO), has cultivated an individualistic utilitarian ethic among small boat fishing captains. Captains, as individual owners of fishing effort, only have access to the 'privilege' of participating in particular fisheries (e.g., lobster, long-line, crab, otter trawl) by obtaining the pertinent federal licenses. Their ability to satisfy individual livelihood needs is levered by possession of the necessary licenses, often obtained from other captains at prices greatly inflated by scarcity created through strict controls on the number of licences issued (cf. Commercial 1985, Policy 1976, Levelton 1981 and Navigating 1983). Consequently, fishing captains increasingly have assumed a posture regarding participation and fishing effort which sets their individual needs and goals in opposition to those of other captains active in similar fisheries (cf. Davis and Thiessen 1988; Thiessen and Davis 1988, and Sinclair 1982). That is, the ethic of and economic costs arising from regulatory mechanisms such as limited entry licensing directly situate each individual captain in a competitive posture relative to other captains. In short, public policies premised on the notions that resources are scarce, and producers are exploitative maximisers and, therefore, in need of regulation, have produced the necessary conditions for small boat fishing captains to become maximising exploiters creating resource scarcity through pursuit of individual utilities in redefined competition with other captains.

Theoretically, such a situation would be expected to reduce the organisational slack within a captain-owned fisheries co-operative such as the North Bay Fishermen's Co-op. The cultivation in individual captains of utilitarian rationality would express itself in judgements and attitudes about the co-operative's ability to deliver economic goods, e.g., better resource prices, business, and returns on share capital. In other words, membership commitment in such a policy environment would become increasingly conditional upon assessments of the co-operative's performance in satisfying goals, needs and the like, as these are defined by the immediate utilitarian priorities and imperatives of each captain member. That is, the process, for each member, of articulating futures through commitment to collective action becomes increasingly sublimated to the immediacies of current results, as these are assessed continually relative to the immediacy of individually-referenced priorities and imperatives. Dissatisfaction,

voiced or not, would be expected to express itself quickly in reduced loyalty, intolerance, and increasing detachment. So, in addition to documenting the character of organisational slack, we will also examine the extent to which this necessary feature is contextualised and jeopardised by the *cultivation and manifestation* of individualistic utilitarian rationality. Before we put these contentions to the test, a short history of The North Bay Fishermen's Co-op is in order.

### The North Bay Fishermen's Co-op

Established in 1983, the North Bay Fishermen's Co-op is the latest descendant of area fisher co-operatives first formed in the context of the Antigonish Movement. Indeed, Moses Coady, a founder of the Movement, personally participated in the initial study clubs and development of the original co-operatives, including the St. George's Co-op, established in 1935 and situated at Ballantyne's Cove. The St. George's Co-op was a producer/consumer co-operative organisation. Among other activities, it operated a lobster and fish buying/processing facility as well as a general store which provided agricultural services such as ploughing and mowing.

In 1954-55, the fish buying business was transferred to the Antigonish Co-op Fishermen (ACF), a county-wide producer co-operative organised by the St. Francis Xavier University Extension Department. Antigonish Co-op Fishermen marketed their resources through the United Maritime Fishermen (UMF), which was developed as an umbrella organisation within and through which local fisheries producer co-operatives could centralise and concentrate their marketing and economic interests. The North Bay Fishermen's Co-op arose from the ashes of a failing ACF-UMF business relationship. Once established, it purchased existing office and processing facilities at Ballantyne's Cove.<sup>2</sup> Since its inception in 1983, the North Bay Fishermen's Co-op has developed new facilities and aggressively pursued market opportunities. Today the co-op has 60 members, most of whom have previous experience and investment with fisheries co-operatives. In the following we examine in specific detail the characteristics and qualities of membership attachment and participation.<sup>3</sup>

### Dimensions of Participation

There are a variety of ways to measure and to describe membership participation. In this instance, activities such as meeting attendance, active participation in the co-op's affairs as measured by membership involvement with the Board of Directors, committees, official delegations and the like are considered. Over ninety percent of the fishermen interviewed (46 of 51) reported that they had been members of the co-op for three or more years. In addition, many of the current members belonged to the fisheries co-operatives which preceded North Bay. Consequently, the vast majority of the membership interviewed have lengthy association with and experience in co-operative organisations. When

asked to indicate the various reasons why they joined the North Bay Fishermen's Co-op, 72.5% replied that the co-op represented the best opportunity to sell their catches; 62.8% felt the co-op was vital to the community and they wanted to support it; 33.3% noted that support for co-operatives is part of their family tradition; and 43.1% reported that they also joined because the success of the co-operative depended upon the support of as many people as possible. In addition, 25.5% of the membership noted that they joined because the co-operative form of organisation gives them a greater say in and benefit from matters directly concerning their livelihood such as dockside prices.

In sum, from these responses it is apparent that many of the members, as a consequence of their previous experiences with co-operatives, readily support and have formed positive feelings about the co-operative type of organisation. Most joined for these reasons, noting that they chose participation in the co-operative over the available alternative of selling their catches to a local private fish buyer. This is a particularly telling set of attitudes given the fact that most of the members had recently experienced the failure of both the Antigonish Co-op Fishermen and the United Maritime Fishermen co-operatives. Numerous captains lost, in their judgement, considerable economic resources, i.e., their share capital in the collapse of these co-operatives. Yet, instead of exercising the option of throwing up their arms in despair and exiting from participation in co-operative ventures, they immediately began the process of organising and building another co-operative within a local environment which contains an alternative and, in terms of prices attractive outlet for their sales. In short, this pattern of response suggests that, by and large, the membership expresses 'co-op consciousness' in their feelings, attitudes and choices.

Curiously, the breadth of the membership's willingness to join and support co-operatives is not replicated in the more direct measures of participation. For instance, almost thirty percent of those interviewed report that they attend meetings either occasionally, rarely or never. Over sixty-six percent stated that they have never held an official, elected position with the co-op (34 of 51) and almost sixty-three percent (32 of 51) claimed that they had never been a member of a co-op committee or delegation. These data indicate that, while the vast majority of the membership are committed to joining and supporting co-operatives, a substantial number are not motivated sufficiently to always attend meetings and only about one in three of the membership actively participate, beyond attending meetings, in the co-op's affairs. Moreover, the spouses and children of co-op members are almost totally uninvolved in the co-op. Of the married members interviewed, only a couple reported that their spouses were involved with the co-op. In addition, none of the members interviewed had children who were involved.

These data suggest that the instrumental purposes of fish sales and situational conveniences such as location and services (e.g., credit, supplies, and so on) underwrites, for many membership and participation. Certainly, the recent negative experiences of many captains with co-op failures has left a residual of cautious conservatism when it comes to co-op involvements and affairs. Yet, for

these captains, the option of forming and/or joining a co-operative, with all of its attendant risks, outweighs the alternative of simply selling catches to the local private fish buyer-processor, Arisaig Fisheries. It would be simplistic to attribute this choice primarily to instrumental purposes such as economic opportunism, particularly in a setting where negative economic experiences with co-operative organisations have been the rule rather than the exception. For these fishers the co-operative represents the organisational form of choice, choice itself reflecting almost sixty years of association between these fishers, their families, their communities and the co-operative form of organisation. While it would be foolhardy to deny instrumental associations, the maintenance of the co-operative preference, especially given the extensive experience with failure, can only be understood in reference to the 'co-op consciousness' that has resulted from the years of association. However, having noted this, the reported lack of participation and integration of many in co-op affairs reveals a window of vulnerability for the organisation and its membership.

#### Dimensions of Attachment

Potentials for vulnerability and crisis evident in the dimensions of participation are further underlined by direct measures of membership attachment and loyalty to the co-op. For instance, when asked if they would sell to another fish buyer if offered higher prices, over thirty-five percent (18 of 51) of the members interviewed reported that they would sell to another buyer. Needless to say, while a minority of the membership, the resource supply represented by this group would be substantial, especially significant because of the extent to which the co-op is a specialised, seasonal venture largely dependent on lobster and herring roe sales over six months of the year. For the North Bay Fishermen's Co-op these data reveal a fundamental vulnerability to resource supply. This is rooted in both qualities of the relationship these members have with the co-op and their feelings about the co-op.

Aside from this measure of willingness to sell to other buyers, responses to several other questions clearly indicate the extent to which the membership has doubts about the co-op. Almost sixty-seven percent of those interviewed (34 of 51) reported that they are unwilling to put more of their fishing income into the co-op. About eighty percent (40 of 51) disagreed with the statement that members should be prepared to surrender income today in order to encourage long-term success and over eighty percent (42 of 51) responded negatively to the suggestion that the co-op management knows what is in the best financial interests of the co-op and its membership. In short, a large majority of the membership is unwilling to put more money into the co-op and an even larger majority expresses suspicion regarding the judgement of co-op management. Given that the members own the co-op and that the success or failure of the co-op reflects directly on the members livelihoods, the pattern of responses here hints at unease among the membership and the potentials for difficulties concerning attachment and loyalty to the organisation, thereby jeopardising 'organisational slack.'

This situation is further underlined by the fact that few of the members are prepared to sacrifice aspects of their individual vested interests in fishing to the co-op. In their responses to a question which asked what they would be prepared to do if a majority of the co-op membership decided that the success of the co-op required redistribution of fishing effort, over ninety-six percent of those interviewed would refuse to surrender a fishing license; over eighty-six percent would refuse to replace their current boat with one that is smaller and less powerful; over eighty-four percent reported that they would not voluntarily transfer a license to another co-op member; ninety percent claimed that they would, as individuals, apply for new licenses; and almost seventy-seven percent reported that they would refuse to allow the co-op to hold and distribute licenses and quota. Only in one instance, reduction of fishing effort (e.g., number of days fished and/or the amount of gear fished), did a slim majority of those interviewed (52%) indicate a willingness to sacrifice individual interests for the benefit of the co-op and its membership.

These data reveal that, when it comes to their individual livelihood interests, most of the membership feel it necessary to maintain an arms length relationship with the co-op. Without question, a good number of the members are, minimally, unconvinced that the organisation can or should be trusted to represent their individual interests. These findings contrast sharply with the overall positive attitude and support expressed by the vast majority of the members toward co-operative forms of organisation. Why would members generally in favour and supportive of co-operatives report little willingness to sacrifice their individual interests for the benefit of the co-op and its membership, including themselves? Could this be yet another expression of the classic small boat fishermen's, as 'rugged individualists,' distrust of representative organisations, whatever form they may take?<sup>4</sup> Are there aspects of the North Bay Fishermen's Co-op management and organisation which underwrite members' suspicion and hesitation? In order to attempt answers to these and other questions we must search out explanations for the causes of the membership's ambivalence. Indeed, this ambivalence is expressed even more emphatically by the fact that over ninety percent of the members (46 of 51) report that they feel their opinion counts in the co-op and fully two in every three of the members report that they would *not* sell to another fish buyer, even if offered high prices, both features demonstrative of 'organisational slack.'

### Dimensions of Satisfaction

To isolate aspects of satisfaction, we asked members questions intended to reveal general feelings about the co-operative as well as opinions concerning specific aspects of its organisation and operation. The vast majority of the membership interviewed reports that they are moderately to very satisfied with the service they receive from co-op dockside/plant workers (92.1%) and co-op office personnel (88.3%). Many made a point of emphasising that the people and their work were of 'the best sort.' Eighty-two percent indicated that they were moder-

ately to very satisfied with selling to the co-op. Apparently, while about one in three would sell to another fish buyer, most are satisfied with their present arrangement. The levels of satisfaction notably decrease in association with co-op management and co-op business and accounting practices. Almost sixty-seven percent reported satisfaction with business and accounting practices while under sixty percent (58.8%) noted they were moderately to very satisfied with co-op management. These data suggest that a sizable number of members feel uneasy about these two particular aspects of the co-op. Responses to several general questions shed some light on the factors involved here.

Almost sixty-five percent of the membership interviewed reported that the co-op represents their needs and concerns. Yet, about only one in every two of the members (26 of 51) claim that the co-op is satisfying their needs and concerns. The suggestion here is that while the majority of the membership welcomes the co-operative form of organisation as representative of their needs and concerns, many feel that these are not being satisfied through aspects of current practices. In particular, almost fifty-five percent of those interviewed (28 of 51) claim that they are *not* being kept adequately informed about the practices and plans of the co-operative. Fully sixty-seven percent (34 of 51) feel that they are *not* consulted frequently enough about management and development plans and initiatives.

These data reveal that the ambivalence of many towards the co-operative specifically concerns the perceived or real distance that they feel from the management and development plans, practices and initiatives on-going within the co-op. A majority of the members report they are inadequately informed and insufficiently consulted about these areas. Consequently, they are saying that, while they feel their opinion counts, it is not being sought out frequently enough. As a result, the suspicion noted earlier is rooted, at least to an extent, in the feeling that they are not being integrated adequately in the decision-making processes, leaving many of the members without confidence in their knowledge about co-operative affairs as well as in disagreement with management decisions and practices and, therefore, uncertain about and distrustful of management.

### Analysis of Selected Characteristics

In order to develop a better understanding of the patterns reported above, members' responses were examined in relationship to their attendance at meetings and whether they felt they were being kept adequately informed. Table 1 examines membership responses in terms of meeting attendance. This information reveals that those who always attend meetings are much more likely than those that do not to hold an official position with the co-op (43.2% vs. 0%); to feel the co-op members are consulted enough about plans and initiatives (70.3% vs. 57.1%); and to continue selling to the co-op even if another fish buyer offers them higher prices (73.0% vs. 42.9%). This information clearly reveals the importance of membership attendance at meetings as a foundation for attachment to and participation in the co-op, thereby maintaining 'organisational slack.'

Table 1. Members' Reported Attendance at Co-op Meetings by Selected Response Categories

Attendance at Meetings	Response Categories									
	Would Sell to a Fish Buyer Other than Co-op		Held/Hold Official Position with Co-op		Co-op Represents Needs and Concerns		Co-op Members are Kept Adequately Informed		Members are Consulted Enough about Plans and Initiatives	
	Yes %	No %	Yes %	No %	Yes %	No %	Yes %	No %	Yes %	No %
Always (N=37)	27.0	73.0	43.2	56.8	59.5	40.5	43.2	56.8	70.3	29.7
Less than Always (N=14)	57.1	42.9	--	100.0	78.6	21.4	50.0	50.0	57.1	42.9

Notably, meeting attendance exerts little influence on whether members feel they are being kept inadequately informed (43.2% vs. 50.0%).

Indeed, if anything, regular attendance at meetings reinforces some members' suspicions about not being kept adequately informed, 56.8% of those always attending report they feel this way as compared with 50% of the less frequent attenders. Furthermore, always attending meetings exerts a negative influence on whether or not members think the co-op represents their needs and concerns. Almost forty-one percent of those always attending report they feel the co-op does *not* represent their needs and concerns while only twenty-one percent of the less frequent attenders claim a similar opinion. Several of the members interviewed volunteered the opinion that an insufficient number of meetings are called each year. Indeed, the general membership is drawn together on only a few occasions such as the Annual General Meeting and fisheries section meetings (e.g., ground fish and herring). The frequency with which the membership meets with its board of directors and management, in addition to attendance at meetings, would be important to instilling and cultivating the sense as well as the experience among many of the members that they both are being kept informed and are participating in the decision-making process. Without question, the current practices provided limited opportunity for the membership, particularly those resident in and fishing out of ports other than Ballantyne's Cove, to sustain a sense of ongoing, active participation in the co-operative. Moreover, for those motivated to attend and to participate the practice of meeting infrequently will provide little opportunity for nurturing attachment, encouraging participatory decision-making and building confidence in the relations between members and management.

It is curious that a greater percentage of those always attending meetings,

when compared with the less frequent attenders, express doubt about the co-op representing their needs and concerns, especially since a good majority of these very same members report they feel that members are consulted enough about plans and initiatives (70.3%). This indicates that, while those always attending think they are consulted enough, some of them do not agree with the direction the co-op is taking. However, the attachment that most have to the co-op is strong enough thus far to maintain, regardless of this disagreement, their willingness to continue selling to the co-op even if another fish buyer offers higher prices. This is a rather strong indication of 'slack' in the organisation.

The impact on membership attachment and satisfaction of feeling adequately informed is demonstrated in the distribution of responses presented in Table 2. Of those claiming they feel adequately informed, 78.3% report that they would *not* sell to another fish buyer, 78.3% feel the co-op represents their needs and concerns, and 69.7% report that they think members are consulted enough about plans and initiatives.

In stark contrast, of those reporting they feel inadequately informed, 46.4% would sell to another fish buyer, 46.4% feel the co-op does *not* represent their needs and concerns, and fully 96.4% report that they think members are *not* consulted enough. This pattern clearly reveals that the development and maintenance of membership attachment to and satisfaction with the co-op is strongly influenced by the extent to which attention is paid to assuring the members have access, on a continual basis, to information and participatory decisionmaking about the organisation's practices and plans.

In order to explore characteristics of satisfaction with co-op organisation and practice, members were asked to indicate their feelings about specific features on a five-point scale, ranging from very satisfied (5) through to very dissatisfied

Table 2. Members' Response to the Kept Adequately Informed Question by Selected Response Categories

Kept Adequately Informed	Response Categories							
	Would Sell to a fish Buyer Other than the Co-op		Held/Hold Official Position with Co-op		Co-op Represents Needs and Concerns		Members are Consulted Enough About Plans and Initiatives	
	Yes %	No %	Yes %	No %	Yes %	No %	Yes %	No %
Informed (N=23)	21.7	78.3	34.9	65.2	78.3	21.7	69.7	30.4
Not Informed (N=28)	46.4	53.6	32.1	67.9	53.6	46.4	3.6	96.4

Table 3. *Measure of Members' Satisfaction with the Co-op by Attendance at Meetings*

Attendance at Meetings	Response Categories											
	Co-op Management		Co-op Office Staff		Co-op Business and Accounting Practices		Selling to the Co-op		Time Given to the Co-op		Members' Sacrifices to the Co-op	
	S* %	D** %	S* %	D** %	S* %	D** %	S* %	D** %	S* %	D** %	S* %	D** %
Always (N=37)	59.5	40.5	89.2	10.8	62.2	37.8	86.5	13.5	73.0	27.0	75.7	24.3
Less Than Always (N=14)	57.1	42.9	85.7	14.3	78.6	21.4	71.4	28.6	42.9	57.1	42.9	57.1

\* Satisfied

\*\* Dissatisfied

(1).<sup>5</sup> The responses are presented in Table 3. This information reveals several important characteristics of membership satisfaction and dissatisfaction. To begin with, satisfaction is generally reported in association with selling to the co-op. Here the greatest dissatisfaction with selling to the co-op is registered among those who attend meetings infrequently (28.6%). Secondly, members are divided on their satisfaction/dissatisfaction with co-op management, including the business manager and Board of Directors. Almost sixty percent of those always attending meetings reported satisfaction with management while about forty percent claimed to be dissatisfied. Given that confidence in management is a key to the day-to-day operation and long-term success of organisations such as co-operatives, the several levels and specific distribution of dissatisfaction in this regard represents a particular source of ambivalence. As profiled in Table 3 a substantial number of those interviewed report that they are dissatisfied both with the sacrifices they have made and the time they have given to the co-op. High levels of dissatisfaction are reported by a majority of those who attend meetings infrequently (57.1%) for both sacrifice and time. Indeed over one in four of regular attenders also report dissatisfaction in this regard. Here a good number of the membership is expressing an awareness of the fact that they could and should be doing more for the co-op. There is little doubt that developing means to enable increased contributions/participation for these members would dispel some concerns, raise satisfaction with management and shore up 'organisational slack.'

Determination of the extent to which members are prepared to give their time

and resources as well as subordinate their immediate personal goals to the welfare of the co-op and its membership provides an important measurement of member attachment to and understanding of the organisation and its purpose. Table 4 profiles responses to several questions intended to examine this. Responses to several questions not included in the table clearly outline aspects of what the members are *not* prepared to give. For instance, 96.1% of the members would *not* transfer a fishing license to another co-op member; 86.3% would *not* reduce the capacity of their fishing vessels; 84.3% would *not* surrender fishing licenses; and 90.2% would *not* individually pursue new licenses. In short, co-op members are not prepared either to jeopardise or to subordinate their ability to fish, as this is specified by licenses and vessel capacity, to the co-op and its membership. In part, the vested unanimity expressed here reflects the influence of federal licensing policy upon the conditions of individual access to participation in the fisheries. Livelihoods are inaccessible without appropriate licenses. Such a 'reality,' attaches individual livelihood needs/goals, first, to possession of federally dispersed/regulated licenses, rather than co-operative organisational forms that are necessarily sensitive to some notion of majority, if not collective, interests. The individualistic utilitarian rationality emphatically cultivated by federal government regulatory policies delimits arenas of action available to the co-operative, especially in regard to areas such as pursuit of member interests through supply and/or access management. Moreover, the terms of reference concerning member attachments and expectations will be defined, to some degree, by the logic of individually 'licensed' privileges, countervailing 'organisational slack.' However, as is apparent in Table 4, many would voluntarily reduce their fishing effort, for example the number of days fished and/or the amount of gear fished, if this was necessary in order for the co-op to succeed. But, an almost equal number would be resistant to taking such a step. Those that reported they always attend co-op meetings are much more likely to reduce fishing effort voluntarily (70.3%) than are those that attend meetings infrequently (57.1% would reduce). Corroborating this pattern, additional analysis not included in Table 4 shows that 56.5% of those reporting that they are kept adequately informed would reduce fishing effort while only 48.1% of those feeling inadequately informed would support such a measure. These data reveal that participation in the co-op (meeting attendance) and feeling informed all positively impact upon members attachment to and confidence in the co-op and its purpose, to the extent that they would voluntarily reduce their fishing effort if such a measure was deemed necessary for the success of the co-op.

As apparent in response to the question about allowing the co-op to hold and distribute licenses and quotas, there are real limits to the extent that the members are prepared to trust the organisation with management of access and participation in the fisheries. Although this is generally true, a much greater percentage of those who always attend meetings and report feeling adequately informed would be prepared to trust the co-op with access management responsibilities. Again, the importance of developing and maintaining membership attachment to and confidence in the co-op is apparent here. Membership attachment de-

Table 4. Measure of Members' Attachment to the Co-op by Attendance at Meetings

Attendance at Meetings	Measure of Members' Attachment							
	Members Should be Required to Give Time to the Co-op		Would Reduce Fishing Effort		Would Allow the Co-op to Hold/ Distribute Licenses and/or Quotas		I've Put Enough Money into the Co-op	
	Yes %	No %	Yes %	No %	Yes %	No %	Yes %	No %
Always (N=37)	67.6	32.4	70.3	29.7	25.0	75.0	70.3	29.7
Less than Always (N=14)	35.7	64.3	57.1	42.9	14.3	85.7	57.1	42.9

velops trust in the organisation and its practices, reproducing and nurturing 'organisational slack.' It also cultivates confidence in management and membership decisions, confidence that the interests and practices of the co-op are synonymous with those of the individual member.<sup>6</sup>

Similar associations are seen in the responses to the measure concerning members' financial commitments. Here the principle explored expresses the idea that the more attached to and confident in the co-op, the more likely the members will closely identify the co-op with their economic interests and future. Consequently, members so disposed should be willing to commit more of their dollars to the co-op. While a majority of the members interviewed indicate that they feel they have put enough money into the co-op, notable differences in the responses support the association between attachment and willingness to commit more financial support. For instance, 47.8% of those feeling adequately informed seem willing to put more money into the co-op. On the one hand, these data suggest that those who feel they are being kept adequately informed are much more likely to perceive their economic interests as synonymous with those of the co-op and, as a result, willing to commit even greater portions of their earnings to the organisation. On the other hand, widespread dissatisfaction, as measured earlier, concerning management practices, information management and consultation processes without question would deter members from committing further financial resources since they would have neither the confidence in nor attachment to the organisation. Certainly this is expressed in the extent to which the largest number of members feel that they have put enough money into the co-op. When contrasted with member responses to the idea that members should be *required* to give time to the co-op, most think that members should be required to give time to the co-op as a condition of membership. This is particularly the case for those who report that they always attend meetings

(67.6%). Notably, in analysis not included in the tables, almost sixty-one percent of those who feel they are *not* adequately informed think that members should be required to give time. Only in the case of those who attend meetings infrequently do we see a majority expressing resistance to this idea (64.3%).

## Conclusion

The description and discussion presented here support our two contentions. 'Organisational slack' has been isolated within the measures of participation and attachment examined. This is particularly evident in the contrast of relatively high membership dissatisfaction in areas such as management, consultation processes and information dissemination with essentially moderate membership tendencies to feel dissatisfied with co-op prices and to report that they would sell to another fish buyer. For many members, loyalty and attachment to the co-operative overrides their dissatisfaction and unease to the extent that they would not sell to another buyer, even if that buyer was offering higher prices. The evidence presented also demonstrates that participation in the co-operative is key to maintaining and reproducing 'organisational slack.' For instance, those who always attend meetings when compared with those who do not, report greater contentment with most areas of co-op organisation and operation and claim to be notably *less inclined* to sell to other buyers. Remarkably, those members who always attend meetings, also report a much stronger conviction in regard to the co-op *not* meeting their needs and concerns. Surely, the co-existence of strong loyalties and attachments with negative assessments of needs satisfaction is a clear indicator of organisational slack particular to the unique characteristics of co-operatives, representing a tremendous resource relative to its functioning as a business. That is, most of the membership remains attached to the co-operative alternative, even though notably unhappy with particular aspects of their own co-op's management and organisation, thereby providing the organisation with the sort of support and flexibility countervailing to exercise of the 'exact' option in times of discontent. For the co-operative as a business this 'organisational slack' is a resource in so far as it constitutes the basis of confidence regarding resource supply, allowing the co-operative to invest its energies in the development of alternatives in other areas of products and/or markets.

However, slack is not an aspect of membership attitudes which the co-operative's management can take for granted. To the contrary, slack must be nurtured, maintained and reproduced through measures that facilitate membership participation. The positive effect of this is evident in the responses of members whom report that they always attend meetings, while the consequences of failure to do this is foreshadowed in the reports of members who attend meetings infrequently. However, the *assumption* on the part of management of slack, rather than constant attention to developing and sustaining it, would transform an organisational and, especially, business strength into a lost opportunity, thereby eroding the economic viability and threatening the co-operative's survival.

Indeed, the necessity to underline the conditions sustaining and reproducing organisational slack is made even more urgent given the evidence of membership resistance to subordinating their individual prerogatives in fishing to insure the well-being of the co-operative and its membership, including themselves. The almost universal resistance of members to scenarios such as transferring licenses to other members and allowing the co-operative to hold and distribute licenses, clearly indicates an elemental tension between convictions concerning livelihood self-interests and attachment and sublimation to the co-operative as the organisational vehicle through which to realise livelihood self-interests. Here is evidence of the individualistically-referenced utilitarian rationality cultivated in federal government access management regulations. Self-interested utilitarians would be suspicious of and resistant to a co-operative, or any other organisation for that matter, as the vehicle through which their livelihood needs and goals are met, particularly if they were compelled to subordinate some of their individual prerogative to an organisation directed by the judgement of its members/owners in terms of what is in collective best interests. For instance, the redefinition of participation in fishing as a privilege granted individuals by government through issuance of limited entry licenses countervails practices or attitudes among small boat fishermen that reference individual self-interest to collective organisation and outcome (cf. Acheson 1979; Andersen 1979; and Davis 1984). Once the individual captain is in possession of the privilege, livelihood success is a measure of his/her ability to exercise the privilege in his/her individual self-interest. Co-operation, while possible, is not the idea residing at the core of the sort of rationality presumed in this model (cf. Clark 1981). In fact, the resistance to sublimation of individual prerogative evident among the membership suggests that organisational slack is quite fragile an attribute. Members unwilling to perceive their most elemental self-interest in the co-operative are likely intolerant to abiding dissatisfaction for long. While management would woe the presumption rather than nurturance of slack, numerous of the members threaten slack through their utilitarian posture, a condition aided and abetted by the utilitarian rationality inherent to federal government regulatory policy. Indeed, taken to its logical conclusion, cultivation of individualistic utilitarian rationality among small boat fishermen will erode organisational slack and, thereby, threaten the viability of co-operatives as attractive alternative forms of organisation.<sup>7</sup>

#### Notes

1. The research reported here was funded by a research grant from the Centre for Research on Work, St. Francis Xavier University. We would like to thank Drs. L. Brown, D. MacInnes, V. Thiessen and the editors of MAST for their critical assessment and advice on an earlier draft of the essay. This manuscript was prepared, with the usual care and professionalism, by Mrs. Frances Baker of Antigonish.

2. While the failure of the UMF has yet to receive systematic study, preliminary analyses suggest a number of interrelated reasons underwrite its collapse (cf. Clement 1986). To begin with, the

management bureaucracy had grown to the extent that it had come to absorb a disproportionate share of the wealth generated by the co-op, leaving less for the fishermen and fish plant workers. Secondly, the growth in bureaucracy associated with the formation of a Maritime regional co-op reduced the product, marketing and business decision-making flexibility available to co-op management, particularly in times of market downturns and economic squeezes. Thirdly, the sheer regional character and scale of the co-op increasingly distanced membership from management, leaving professional managers in the position of determination over co-op affairs. Consequently membership involvement and loyalty waned as their client experience with the co-op seemed to indicate that it was like any other fish business, thereby eroding the readiness of members to sacrifice income and time for the purpose of sustaining the UMF. Indeed, the regional scope of the co-op and the negative consequence of this for member attachment, loyalty and satisfaction underwrites the significance of modesty in scale to co-op success (cf. Jentoft 1986). Discussion with members also indicated that the UMF was systematically barred by existing players from participating as a broker/wholesaler in U.S. shellfish markets. These members argue that this development seriously eroded the ability of the UMF to remain competitive and economically viable.

3. The data presented in this study was gathered through in-person, structured interviewing. An interview questionnaire was designed and pre-tested. The pre-tested interview, objectives of the study, and a request for participation were presented to the Board of Directors of the North Bay Fisheries Co-operative. The Board of Directors agreed to participate with the study and released to the researchers the most current membership list, including mailing addresses. It was understood that, in all other ways, the study would proceed independent of the co-operative's management. Once in receipt of the membership list a letter introducing the study, outlining its purpose and requesting co-operation was sent to all members. The interviewing was done by Ms. Kimberlee Adams, Ms. Audrey MacNevin and Anthony Davis. One of the sixty-one members listed had withdrawn by the time interviews had begun. Every effort was made to establish face-to-face contacts with the remaining sixty members through repeated visits to their homes and boats between April and July, 1988. In this manner, fifty members were met and asked if they would participate in the study. Forty-nine agreed to be interviewed and one declined. Since it was essential that as many members as possible be included in the study, copies of the questionnaire accompanied with an explanatory letter, and stamped, self-addressed return envelopes were mailed to the remaining ten members. Of these, two returned completed questionnaires. One member sent back an uncompleted questionnaire with an enclosed note indicating a desire not to participate. In sum, fifty-one members participated in the study (85%) two declined (3%) and seven did not respond to the mailed questionnaire (12%).

4. Additional findings not reported in this essay question presumptions concerning fishermen's distrust of representative organisations. Thirty-one of the members interviewed also belong to the Maritime Fishermen's Union (MFU). Generally, this block is among those most favourably disposed toward the co-operative. Yet, most of the MFU members also emphatically express the resistance and concerns noted. Notably, the association of union membership with ardour of support for the co-operative challenges assumptions some have made concerning the association between 'class consciousness'/class politics and the form of representative organisation adopted (cf. Clement 1986).

5. The small number of cases involved in the study (51) requires that the responses on the scale be recoded to the categories satisfied (scores 4-moderately satisfied and 5-very satisfied) and dissatisfied (scores 1-very unsatisfied, 2-moderately unsatisfied and 3-neutral). Neutral is included in the dissatisfied category in so far as such responses reflect lack of explicit satisfaction.

6. The role that co-operatives can play in the management of access and participation has been documented in several situations. For instance, Japanese fisheries co-ops play a control management role in distributing licenses, quotas, territorial rights and so on (Jentoft 1989). Co-op participation as agents of management has also been documented in the Southwestern Nova Scotia herring fishery (Kearney 1984).



7. Indeed, membership exercised its concerns in the winter of 1989 by firing the co-operative's manager, a full-time professional, and replacing the Board of Directors. Several of these ex-Directors resigned from the co-operative and have shifted their catches to a private fish buyer/processor. Apparently, the remaining membership and new Board of Directors have down sized operations and withdrawn plans for expansion and development, at least until the co-operative achieves a sounder economic footing.

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