Title ideas:

Life history mediates the impact of population synchrony on portfolio benefits

The impacts of synchrony and permit access on revenue patterns in a multi-species system

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Abstract

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Key words

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Introduction

Diverse resource portfolios can reduce revenue variability and financial risk caused by large fluctuations in productivity and profitability of exploited natural populations (Kasperski and Holland 2013). Variability in fishing revenue declines for individuals (Anderson et al. 2017), vessels (Kasperski and Holland 2013), and communities (Sethi et al. 2014, Himes-Cornell and Hoelting 2015, Cline et al. 2017) when groups diversify their portfolio of fishing activities by targeting multiple species or geographic areas. However, the ability to build diverse fishing portfolios has declined as limited access and catch share programs have increasingly constrained access to fisheries; this is particularly the case for younger fishers who were not gifted fishing permits when access first became limited (Kasperski and Holland 2013, Himes-Cornell and Hoelting 2015, Holland and Kasperski 2016, Holland et al. 2017).

The ecological dynamics and life histories of the populations that comprise resource portfolios mediate the extent to which diverse portfolios stabilize income and reduce risk. First, population synchrony can play a role. Synchronous populations tend to respond in the same direction to shared drivers or have similar exploitation histories (Baum and Worm 2009, Hansen et al. 2013), whereas asynchronous populations tend to be competitors or respond in opposite directions to a shared driver (Hare et al. 1999, Gonzalez and Loreau 2009, Loreau and Mazancourt 2013, Selden et al. 2018). Populations that vary asynchronously or independently of one another yield a more temporally stable aggregate biomass than populations that vary synchronously (Doak et al. 1998), and this stability in biomass can lead to greater stability in the revenue that the portfolio of populations generates (Hilborn et al. 2003, Schindler et al. 2010). Second, variability itself can be driven by life history. Long-lived species with “slow” life histories tend to exhibit lesser interannual variations in biomass than “fast” short-lived species (Warner and Chesson 1985, Winemiller and Rose 1992, Bjørkvoll et al. 2012). Finally, phenology often determines timing of the fishing seasons. Vessels tend to target migratory species when they are closest to home fishing ports [cite], and regulations often protect populations during periods that are particularly important for reproduction and growth (e.g., molting, carrying of egg sacs). Portfolios that both stabilize *and* increase revenue should take advantage of differences in timing of seasons within the year to enable fuller use of fishing capital. Both natural (Schindler et al. 2013) and human predators can benefit from taking advantage of these phenological portfolios.

An extensive social-ecological modeling literature has demonstrated that accounting for the interactions between ecological and human dynamics in fisheries management can improve biological sustainability and increase the benefits fishers and society derive from the ecosystem (see Nielsen et al. 2018 for review). For example, vessels in multispecies fisheries can achieve more optimal harvest patterns by intentionally altering their fishing behavior to avoid species with lower natural productivities (Kirkley and Strand 1988, Squires and Kirkley 1991). Furthermore, accounting for ecological interactions, such as predation, can lead to different estimates of management targets (Collie and Gislason 2001, Overholtz et al. 2008, Holsman et al. 2016) and even generate new fishing opportunities (Oken and Essington 2016). However, there has been relatively little focus of this literature on the interaction between ecological dynamics and the benefits of revenue diversification gained though management of access rights. The natural variability of fisheries means that optimized systems include a mix of specialists and generalists who move among fisheries (McKelvey 1983, Smith and McKelvey 1986). Enabling effort to shift across species or areas can take pressure off weak stocks but can also undermine the ability of mangers to achieve management targets for other species (Holland and Herrera 2010, Woods et al. 2015, 2016). Acknowledging the costs and benefits of diversification, Sanchirico et *al*. (2008) explored how catch allocations could be made to both minimize variability andmaximize returns, but the correlation pattern assumed among the stocks was based on correlations in historical gross revenue and had no mechanistic ecological basis.

The California Current Large Marine Ecosystem (CCLME) provides an ideal model system to explore how ecological dynamics and management decisions combine to impact the profitability and risk of alternative fishing portfolios and overall fishery performance. Many fisheries in the CCLME are highly interdependent, sharing linkages through both exposure to common environmental drivers and cross-participation of fishers. Climate variability is a strong component of the CCLME (Schwing et al. 2010), especially due to ENSO events (Jacox et al. 2016) and the Pacific Decadal Oscillation (Mantua et al. 1997, Hare and Mantua 2000). Climate cycles and oceanic conditions influence the productivity of many commercially valuable species across various spatial and temporal scales through impacts to recruitment, growth and spatial distribution, indirectly linking their dynamics (Black et al. 2010, Schwing et al. 2010, Hazen et al. 2013, Shanks 2013, Stachura et al. 2014, Stawitz et al. 2015). Participation of fishers in multiple fisheries within the California Current provides additional connectivity of dynamics among the component populations, since shifts in productivity and profitability of fisheries can lead to shifts in effort among fisheries. Although the strength of this cross-participation varies among fishing ports, it represents an important linkage at the coastwide scale (Richerson and Holland 2017, Fuller et al. 2017).

We developed and applied a simulation model based roughly on the fisheries for three key species in the CCLME to understand the consequences of management strategies in conjunction with the ecological dynamics of the fish populations and the participation decisions of fishers. We used this model to explore how synchrony of productivity, combined with ease of access and movement among fisheries, combine to affect profitability and variability in income for fishers. We simulated annual recruitment and population dynamics and weekly fishery participation decisions for six permit portfolios that target some combination of Dungeness crab (*Metacarcinus magister*), Chinook salmon (*Oncorhynchus tshawytscha*) and groundfish (characterized by Sablefish: *Anoplopoma fimbria*) off the U.S West Coast. We used the model to investigate how access to diverse permit portfolios impacts average revenue and revenue variability for 1) individuals, 2) species, and 3) the fleet at large, under positive and negative correlation in recruitment of the populations.

Methods

We built a simulation model of three species groups (crab, salmon, and groundfish) which are linked by cross-participation of fishing vessels and shared productivity dynamics (Table 1). We tested scenarios that altered the productivity dynamics by adjusting the synchrony among the three populations and tested scenarios that altered the cross-participation dynamics by adjusting the number of vessels holding permits for more than one fishery. We simulated fisheries for 50 years and ran 10,000 50-year simulations for each scenario. Population dynamics (recruitment, growth, natural mortality) occurred on an annual time scale whereas fishing occurred on a weekly time scale. The model was written in R version 3.6.2 (R Core Team 2018) and code is available online (https://github.com/okenk/CC\_bioecon).

*Focal fisheries*

Despite limits on the number of participants, vessels participating in Dungeness crab fisheries race to catch available crabs as quickly as possible. Nearly all legal-size males are caught in a matter of weeks, and catch rates decline rapidly as fishers deplete the population (Richerson et al. 2020). Most fishers exit before the fishery legally closes and participate in other fisheries or outside work. The timing of this exit varies substantially among years and vessels due to variability in opening dates, abundance of crab, and individual cost incentives. Crab recruitment is largely driven by environmental conditions during the larval phase, and they display little to no stock-recruit relationship (Shanks and Roegner 2007, Shanks 2013). We assume crab fisheries open on December 1 (start of the model year) and close on August 14.

Ocean troll fisheries for salmon on the U.S. West Coast are mainly based on hatchery fish, but less abundant wild stocks mix with the hatchery fish and also appear in catches. In common with crab, salmon fisheries display high interannual variability in abundance and hence catch. Biomass available to the fishery depends mainly on hatchery production and survival rates, not the number of fish that returned to spawn because the majority of the ocean salmon harvest is of hatchery origin (Shelton et al. 2018). Salmon fisheries experience much less depletion through the season than crab fisheries. Actual s eason dates vary by state and area, but we assume salmon fisheries open on May 1 and close on October 31.

The groundfish fishery operates year-round. It exhibits more inter-annual stability than crab or salmon because it targets longer-lived species and exerts much lower fishing mortality rates (e.g., Johnson et al. 2015).

*Salmon and crab population models*

Because salmon and crab do not demonstrate a stock-recruit relationship, and individuals are generally only susceptible to the fishery for one year, we modeled recruitment for these populations as a random lognormal variable with temporal autocorrelation to emulate observed regime-like patterns. The biomass available to the fishery is simply the biomass corresponding to the year’s recruitment. Thus, recruitment for species *s* in year *y* was:

where  is average recruitment for species *s*, *εy,s* is an autocorrelated normal random variable, the second term in the exponent is a bias correction factor that ensures the expectation of the entire exponentiated term is 1, and *σR,s* is the unconditional standard deviation of *εs*. When recruitment is independent among populations,

where *ϕs* is the strength of temporal autocorrelation (between negative one and one) for species *s*.

*Groundfish population model*

We modeled the groundfish populations using a Deriso-Schnute delay-difference model with a Beverton-Holt stock-recruit relationship (Schnute 1985). This more complex model was necessary because the biomass of available groundfish in a given year depends on both new recruitment to the population and whatever biomass survived and grew from the previous year. The delay-difference model allows for changes in age structure, an advance from simpler surplus production models, but restrictively assumes selectivity and maturity are knife-edged and occur at the same age (Hilborn and Walters 1992, Quinn and Deriso 1999). Although biomass dynamics in this model can be simulated using a single equation, for ease, we equivalently modeled both abundance (*N*) and biomass (*Bg,* subscript *g* for groundfish) (Hilborn and Walters 1992). For comparability with the crab and salmon population dynamics, we assumed these dynamics occurred at an annual time scale:

where *Sy* is total per capita survival in year *y*; *α* and *β* are the intercept and slope, respectively, of a Ford-Walford plot (i.e., plot of weight at age vs. weight at age - 1); *ωk* is the weight at age *k*; *k* is the age at both recruitment to the fishery and maturity; and *Ry,g* is the recruitment to the fishery of groundfish in year *y*. The survival rate accounts for both natural and fishing mortality:

We assumed a Beverton-Holt stock-recruit relationship using the steepness parameterization, so that:

where *h*, *R0*, and *B0* are steepness (percent of unfished recruitment occurring at 20% of unfished biomass, i.e., “resilience”), unfished recruitment, and unfished biomass, respectively, *Hy* is the proportion of the biomass that was harvested in year *y*, and *εy,g* is a random recruitment deviation in year *y* for groundfish modeled in the same way as described in the previous section. This model formulation presumes that reproduction occurs after fishing and before natural mortality. Unfished biomass is calculated based on equilibrium conditions as *R0*/*κ* where *κ* is the growth-survival constant:

*Weekly fishery participation model*

Each week of the year, each vessel considers its costs and anticipated revenue and decides whether it would be profitable to fish. If it is profitable to fish in more than one fishery, they choose which fishery to participate in.

Costs of fishing were divided into annual fixed costs for each species *s* () that were automatically incurred every year (e.g., permits, boat and gear maintenance) and weekly variable costs for each species *s* and vessel *v* (*cs,v*) that were only incurred if a vessel chose to fish for a particular species in a given week (e.g., fuel, bait, labor). Variable costs varied among vessels according to a lognormal distribution to mimic heterogeneity in fishing efficiency and introduce differences in participation decisions among vessels during the season.

Fishers were assumed to have perfect knowledge of the available biomass each week, but were not forward-looking. Catchability was held constant with no interference among vessels. Revenue for a vessel fishing for species *s* in week *w* of year *y,* *rs,y,w* was then:

where *qs* is the catchability of species *s* (proportion of the population harvested by one vessel in one week) and *Ps,y,w* is the price per unit biomass of species *s* during week *w* of year *y*. Prices were held constant for groundfish and salmon, so fishers also had perfect knowledge of the revenue and profit they would earn in a week for those populations. A linear demand function was built for crab to better mimic actual dynamics of the Dungeness crab fishery. Crab prices typically rise as the season progresses and landings fall (PacFin data). Compared with a constant price, this function led to much higher population depletion by the end of the season and increased the temporal overlap between the actualized crab and salmon fisheries. Prices for Dungeness crab (*Pd,y,w*, subscript *d* for Dungeness)increased linearly as catches fell once total weekly catches (*Cd,y,w*) were below 10% of average recruitment. The price when weekly catches were near zero was double the price for high early-season catches above the threshold:

This functional form ensures continuity at the threshold. Fishers used the crab prices from the previous week to calculate expected revenue and profit for the upcoming week. In the first week of the year, we assumed fishers already had perfect knowledge of recruitment, and they calculated expected prices based on the demand function, assuming that every vessel holding a crab permit would fish for crab in the first week (which usually occurs in both reality and the model).

Fishers could only fish in one fishery each week. Each week every fisher calculated their expected marginal profits (*rs,y,w* – *cs,v*) for each fishery that was open and for which they held a permit, and either fished in the most profitable fishery or, if no fishery was profitable (*rs,y,w* – *cs,v* < 0 for all species *s*), did not fish that week. For vessels holding multiple permits, variable costs across fisheries were correlated (i.e., efficiency across fisheries is correlated for each vessel at a correlation of *ρc*):

where *σc2*, the diagonal of Σ*c*, is the variance of the log of the weekly variable cost (shared for all three fisheries) and all off-diagonal entries in Σ*c* are equal to *ρcσc2*. Bold symbols are vectors comprised of the value of that variable for each species. The mean parameter, ***c***, is further described in the parameterization section.

For each 50-year simulation, we calculated the mean and standard deviation of both profit and revenue and the coefficient of variation (standard deviation divided by mean) of revenue for each vessel. We also computed those same statistics for revenue and profits summed over the entire fleet, and we computed the mean, standard deviation, and coefficient of variation for total revenue summed over each species.

*Parameterization*

Many scaling parameters were set to unit values (Table 2) because we were interested in comparing revenue and profit patterns across different scenarios, and not attempting to accurately represent the actual values of the revenue and profit earned. Examples of such parameters are average recruitment, price per unit weight, and weight at recruitment.

We consider six possible permit portfolios: three where vessels specialize in a single fishery (crab, salmon, and groundfish) and three where vessels hold permits for more than one fishery (crab-salmon, crab-groundfish, and crab-salmon-groundfish). We only model multi-fishery portfolios that include crab because crab is the highest grossing fishery, and we wanted to keep the total number of portfolios to a manageable level.

To maintain equilibrium in fishery participation (i.e., on average no entry or exit) and permit costs, we set total costs in a year with average recruitment equal to total revenue for a marginal fisher who might be considering entry into the fishery (Fig. 1). For crab and salmon, we ensured this condition by projecting a single fishery in an average year and solving for the mean variable cost given the profitability constraint, fixed costs, and catchability. For simplicity, this variable cost calculation was done independently for each fishery (i.e., all vessels were assumed to be specialists during the calculations), but the projection is otherwise the same as described in the *Weekly fishery participation model*. Tuning the fishery parameters for groundfish was more complex than for crab and salmon because the groundfish population dynamics respond to the fishery dynamics, but followed the same principle of assuming no profitability in an average year for a marginal fisher. See supplemental materials for a detailed description of the tuning process for all three fisheries.

We assumed the groundfish population began each simulation at 40% of its unfished biomass under equilibrium age structure. The groundfish growth parameters *α* and *β* were calculated by taking the weight at age from the Sablefish stock assessment’s age-length and length-weight relationships (Johnson et al. 2015) and estimating a linear regression through the resulting points (which are almost, but not exactly, linear). The regression was applied from the age at recruitment (4) to age 50. Age at recruitment was chosen by examining the maturity curve and selectivity curves in the stock assessment and choosing an age cutoff (Johnson et al. 2015). Steepness was taken from the stock assessment (Johnson et al. 2015). Unfished recruitment was set at 0.5 so that sustainable catches at 40% of unfished biomass roughly matched those of crab and salmon.

*Scenarios*

We used the model to test how revenue and profit patterns changed under different ecological conditions (synchrony of productivity) and different management strategies (access of individuals to diverse fishing portfolios). Although we report these patterns in terms of revenue, similar results were observed for profit.

The first set of scenarios varied the correlation in recruitment deviations among the three species. When recruitment was correlated among species, recruitment deviations became autocorrelated *multivariate* normal random variables:

where indicates elementwise multiplication, bold symbols are vectors comprised of the value of that variable for each species, and Σ is the covariance matrix. The diagonal of Σ was defined by the variance term of the normal distribution in equation X. The off-diagonals were defined as:

where *ρR,i,j* is the correlation in log recruitment deviations between species *i* and *j*. Note when recruitment among all populations is independent, as it is in the baseline parameterization, *ρR,i,j* = Σ*i,j* = 0 for all *i* and *j*, and equations X and Y become equivalent. We tested scenarios with *ρR,i,j* = -0.5, 0, and 0.5, using the same value for all three pairwise correlations (i.e., *ρR,i,j = ρR*). We tried using a magnitude greater than 0.5 but it is not mathematically possible to simulate three random variables that all have stronger negative correlations. For these scenarios, we held the number of vessels holding each permit portfolio constant according to the baseline scenario.

The second set of scenarios varied the number of vessels holding permits for a single fishery versus multiple fisheries while keeping the total number of vessels constant. We considered three scenarios: easy, medium, and hard access, with the number of specialist vessels increasing as access grows more difficult, and the medium access scenario having an equal number of specialists and generalists (Table 3). For these scenarios we held synchrony of recruitment constant at zero.

Finally, we explored a set of scenarios that varied both synchrony and access. For these scenarios, we considered only the endpoint values for the synchrony and access scenarios (i.e., no medium access or independent recruitment).

Results

*Synchrony*

Synchrony alone had no influence on mean revenue. Average revenue remained constant across the synchrony scenarios when summed across all vessels (Table 4). This pattern also held for average revenue for each species (Figure 2, top row) and average revenue for individual vessels in each permit portfolio (Figure 3, top row). The stability in income across ecological conditions also meant that inequality in the fishery, as measured by the Gini Index of average revenue, remained constant across the synchrony scenarios.

Synchrony increased variability of revenue at some levels of aggregation and for some individuals. Variability of total revenue, as measured by the coefficient of variation (CV), increased as productivity of the populations became more synchronous (Table 4). However, variability of revenue for each species did not change (Figure 2, bottom row). Synchronous populations tend to rise and fall together, so total revenue experiences large peaks and troughs. Conversely, when populations vary asynchronously, a bad year for one species is likely a good year for another, reducing variability in total revenue. However, across all of these scenarios we held the CV of productivity of each individual population constant (diagonal of the variance-covariance matrix remained constant), which translated into minimal changes in revenue variability at the species level.

At the individual level, only vessels holding both crab and salmon permits saw increases in variability of their revenue with increasing synchrony (Fig. 3, bottom row). That is, of the vessels with crab permits, those with diversified permit portfolios all experienced less revenue variability than crab specialists; however, synchrony only mediated the extent of that diversification benefit for vessels that fished for both crab and salmon (Fig. 4). These individuals saw a larger benefit from their diversified permit portfolio, as measured by a reduction in revenue variability and risk, when the crab and salmon populations varied asynchronously. Specialist individuals holding only one permit saw no change in variability for the same reasons there were no changes in variability of total revenue at the species level. Synchrony also did not influence variability or mediate portfolio benefits for vessels holding a crab-groundfish portfolio. This is because changes in recruitment are filtered through a population’s life history. Cchanges in groundfish recruitment have relatively less of an impact on the biomass that is available to the fishery, which also depends on growth and survival of older cohorts. This means the available biomasses of crab and groundfish, and thus the revenue those populations generate, do not strongly covary even when recruitment does.

*Access*

Increasing access of vessels to diversified permit portfolios had mixed impacts on average revenue aggregated at the fleet and species level. Increasing access led to less total revenue in the fishery on average (Table 4). The drop in revenue from hard to even access was much greater than that from even to easy access. This was surprising because the easy access scenario has the most permits available so should yield the most landings, and thus revenue. While salmon and groundfish revenue increased with increasing permit access, as initially expected, there was an unexpected decline in crab revenue (Fig. 5, top row). The patterns for total revenue mirror those of crab because crab generate more revenue than salmon or groundfish. The reason for the unexpected result is that while the catch of crab was higher when more crab permits were available, the large number of vessels participating in the fishery flooded the market early in the season and caused more crab to be caught at the lower prices that occur when weekly catches are high. Because crabs generate more revenue than salmon or groundfish, the patterns for total revenue mirror those of crab.

Increasing permit access decreased the average revenue an individual could expect to earn from a given permit portfolio, but also decreased revenue inequality within the fleet. Average revenue declined with increasing permit access for vessels holding both specialist and diversified permit portfolios (Fig. 6, top row). This is because although vessels catch more total biomass when managers increase access to permits, vessels are forced to compete more with one another and less biomass is available for each individual. The capacity for a fishery to expand while maintaining profitable catch rates determines the extent of this decrease (e.g., large decrease for portfolios including crab, barely visible for salmon specialists). However, while access decreases average revenue, it also decreases inequality in the fleet, as measured by the Gini index (Table 4).

Access to permits had no impact on variability of revenue of the fleet in total (Table 4), but increasing access did lead to slightly greater variability of revenue from each population (Fig. 5, bottom row). This is because as individuals gain access to more fishing options, more vessels are able to capitalize on high abundances, leading to more revenue in good years. Conversely, because more vessels have an array of fishing options, they are also more likely to exit a poorly performing fishery early or elect not to participate at all, leading to less revenue from a given species in bad years. These two processes magnify variability of revenue from each species as permit access increases, even though variability of total revenue summed across all three species does not change.

Vessels holding a given permit portfolio experienced minimal changes in variability across levels of permit access (Fig. 6, bottom row). However, this masks changes in revenue variability as individuals gain access to more diverse permit portfolios. Individual-level variability across all possible permit portfolios generally declines as access to diverse permit portfolios increases and more vessels take advantage of risk reduction benefits that portfolios offer (Fig. 7). However, because groundfish revenue is extremely stable over time due to the low inter-annual variability of biomass, groundfish specialists actually experience the least revenue variability of any possible permit portfolio, and generate the smaller mode close to zero. Increasing access decreases the number of groundfish specialists, so the magnitude of the low variability mode generated by groundfish specialists declines with increasing permit access.

*Synchrony and access*

Results from simultaneously adjusting permit access and population synchrony generally led to results that could be predicted from adjusting each process separately (Fig. S2, S3). That is, the effect of synchrony is similar at easy and hard permit access, and the effect of permit access is similar for synchronous and asynchronous populations.

Discussion

Managers can choose a more or less restrictive permitting structure, but they face these decisions under preexisting ecological dynamics. Managers presented with asynchronous populations can increase fishers’ revenue stability by choosing permitting policies that enable fishers to build diverse permit portfolios across all fisheries. Managers presented with more synchronous species can still help fishers to increase revenue stability by enabling portfolios that include stable longer-lived species in addition to highly variable ones. However, these decisions to increase or restrict permit access impact other socioeconomic indicators of fishery success in addition to variability. Increasing access to fishing permits generally decreases inequality in the fleet, particularly as access to high value fisheries increases, but also decreases the total revenue individuals can expect to earn from a given portfolio. Increasing access might also exacerbate a race to fish that undermines economic value. In our simulations revenues declined somewhat as participation in crab increased due to the increased concentration of catch early in the season leading to lower prices.

While synchrony increased variability of total revenue, as expected, its impact on revenue variability of a given permit portfolio depended on the life history of the species targeted. Specifically, we only modeled synchrony in recruitment, and groundfish have a protracted age-structure where annual recruitment represents only a fraction of fishable biomass, and growth and mortality serve as major contributors to productivity. Thus synchrony between crab and groundfish recruitment did not influence revenue stability or the benefits of diversifying a permit portfolio. A rich literature describes how a population’s age structure influences how it filters environmental variability (Bjørnstad et al. 2004, Anderson et al. 2008, Bjørkvoll et al. 2012, Botsford et al. 2014). A similarly rich literature details how diverse portfolios of species (or populations within a species) can dampen variability of both ecological (abundance, biomass) and economic (revenue, profits) indicators (Hilborn et al. 2003, Schindler et al. 2010, Loreau and Mazancourt 2013, Anderson et al. 2017). We show here that the different ways that individual populations filter the environment can have impacts beyond single species dynamics, and can influence how species relate to one another in the community and the type of portfolio benefits that the assemblage provides.

We saw different responses of socioeconomic metrics to changes in synchrony and access depending on the metric and what scale it was calculated at, underscoring the need for managers to consider a range of performance indicators and consider in detail what goals they wish to achieve. Synchrony increased revenue variability of both the fleet at large and of individuals holding permit portfolios containing the two highly variable populations (salmon and crab), but synchrony did not change revenue variability for individual populations or individual fishers holding any of the other four permit portfolios. The access scenarios led to even more disparate results. Increasing access saw more average revenue in the fisheries without demand functions (salmon and groundfish), but less average revenue for the fleet at large, the fishery with a demand function (crab), and for any individual permit portfolio. Variability for an individual fisher with a given portfolio did not change, but variability across all individuals generally declined with greater access. Modern tools for ecosystem-based fishery management, such as Integrated Ecosystem Assessments in the United States, acknowledge that a single indicator is generally not sufficient to assess the state of complex systems such as coastal fisheries (Levin et al. 2009, 2014). Instead, these tools provide a selection of indicators, and managers integrate this information to make decisions.

Managers are faced with a tradeoff between maximizing profitability and minimizing interannual variability because increasing access tends to lead to both less variability and less revenue for individuals, (Silver and Stoll 2019). Empirical work has demonstrated that less diverse fishing portfolios are associated with both increased revenue and decreased revenue stability (Anderson et al. 2017, Ward et al. 2018). Limiting access through programs like catch shares also ends the race to fish, reducing year-to-year variability of revenue within a fishery and leading to safer working conditions, both possible management goals (Pfeiffer and Gratz 2016, Birkenbach et al. 2017, Holland et al. 2017). Situations with competing goals where “win-wins” are not possible are common across fields of natural resource management (Karp et al. 2015). The resilience and stability of ecosystem services and the total utility derived from those services are often at odds (Janssen and Anderies 2007). Multi-objective optimization can provide a useful framework that allows managers to embrace the tradeoff between profitability and stability rather than focus on a single aim (Mendoza and Martins 2006, Sanchirico et al. 2008).

Our stylized model of three key fisheries in the California Current makes many assumptions that could potentially influence our results. As such, the model should not be used for tactical management. First, we assume that participation in the fishery is stable and that the lowest efficiency vessels are making no net economic profits on average. If instead vessels are exiting the fishery (i.e., no longer paying fixed costs) during poor periods and entering during strong periods, this could magnify variability in aggregated revenue, though it could improve overall efficiency if exiting individuals have alternative productive employment outside the fishery. Second, we assume specialist and generalist vessels have the same average variable costs, whereas there are theoretical reasons to expect specialists fish more efficiently than generalists as they invest in more specialized capital. This would dampen the differences in mean revenue aggregated over the fleet and the species that were observed across access scenarios. Our set of simulated fisheries may also not be representative of other fishery systems in important ways. For example, groundfish in our model were sensitive to overexploitation, but did not remain profitable to target at low biomass. Anything else important?

Results from our bioeconomic model highlight potential avenues for future empirical and theoretical research. A relatively recent body of work has empirically documented changes in access to fishing rights, fishing portfolio diversity, and revenue stability, but theoretical modeling studies such as this one to ground the work in mechanisms and generate more nuanced hypotheses are lagging. There a number of areas of empirical and theoretical research that would complement the work presented here. More studies simultaneously quantifying how average profitability and efficiency as well as revenue stability have changed for individuals as fishing portfolios have grown less diversified will help managers more explicitly grapple with potential tradeoffs they face between conflicting objectives of profitability, stability and equity. Because synchrony among populations, differences in life history, and the relative dominance of any fishery in total revenue all influence the type of stabilizing benefits a given portfolio provides, comparative studies across systems or time periods that vary with respect to any of these three variables can empirically test the patterns we demonstrated. This study also opens up new theoretical directions. A similar approach could be used to study the impact of shifting timing of fishing seasons as climate change disrupts traditional phenology, plankton dynamics, and distributions, and previously complementary seasons begin overlapping (Moore et al. 2020, Santora et al. 2020). Modeling a wider range of life histories could also better illustrate how the environmental filtering patterns across life histories influences the stabilizing benefits of various fishing portfolios. Finally, expanding this model to include other key fisheries in the California Current and more empirically grounding the recruitment dynamics can allow us to learn how best to manage fishing access under current and changing environmental conditions, and provide useful advice for decision-makers.

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