

Balancing Profits, Sustainability, And Equity: Long-Term Outcomes of Iceland's Fisheries Governance

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Abstract

Iceland's fisheries provide a case study of how effectively well-designed governance systems may strike a mix between environmental preservation and economic growth. Iceland has shown a strong dedication to sustainable fisheries management over the last few decades, modifying laws to guarantee long-term resource sustainability and preserving profitability even while The Individual Transferable Quota (ITQ) system has been the pillar of this change as it has improved fishing industry efficiency and helped important fish populations to recover. Notwithstanding these achievements, there are still difficulties especially with the social and economic consequences of ITQ concentration, growing fishing rights expenses, and job decreases in some rural fishing villages. Early in the 1980s, Iceland's fishing sector struggled greatly with overfishing, too high fleet capacity, and unstable finances. Unchecked competition threatened the long-term viability of the industry by causing falling fish stocks and lower economic returns. The ITQ system was developed in response in 1984 for groundfish and progressively extended to almost all fisheries by 1991. By allocating transferable quotas to individual operators, this policy change essentially rebuilt the sector by encouraging efficiency and a market-driven method of resource use. Adoption of ITQs has brought about notable environmental and financial gains. Reducing overcapacity and guaranteeing a science-based method of stock control has helped the system to stabilize fish numbers and improve sector profitability. Now acknowledged as a model for sustainable resource management, Iceland's fisheries show how policy-driven adaptation may reduce environmental damage and promote economic resilience. Still, constant debates over social equality and quota allocation help to define how the system develops. Examining both Iceland's achievements and the difficulties in striking a balance between sustainability, economic efficiency, and social inclusion, this paper investigates the long-term consequences of its fisheries management.

Keywords: Fisheries; Iceland; ITQ; sustainability; resource management; economic efficiency.