

EMPTY NETS; Faced with low prices, bad weather and overseas competition, many local shrimpers are bailing out of a profession that's been a way of life for generations.

By Aaron Kuriloff; St. Bernard/Plaquemines bureau

Tiger Christen's 35-foot shrimp boat had carried him through storms and across dangerous seas over the past three decades, but last week simple economics proved too much for the vessel.

While rogue waves couldn't sink Christen's independent shrimping operation, finances could. Battered by the declining global prices and a harvest that locals call the worst in decades, the "Miss Christen" made port for the final time Thursday. And even as the potentially lucrative inshore white shrimp season continued, Christen drained the bilge, hung the keys and placed a "For Sale" sign on the window.

Shrimping doesn't pay enough to operate the "Miss Christen" anymore, he said. But liquidating the vessel might keep her captain afloat a little while longer.

"My dad was a shrimper," said Christen, who works out of Jean Lafitte. "My granddad was a shrimper. My great-great-granddad built 101 of those old round-stern wooden boats by hand. But I can't make it no more. I've got to sell."

Across Louisiana -- the nation's largest shrimp producer -- and around the Gulf Coast, independent shrimpers are confronting the same hard truth this year. And across the Gulf of Mexico and up the Atlantic coast, industry analysts say, the lean economic times have forced as much as 40 percent of the independent shrimping fleet to dock their boats, many for good.

Three years ago, Christen and others like him were being lifted on a rising economic tide, as demand for shrimp peaked and prices climbed high enough for many to reinvest in boats and equipment.

But that tide ebbed quickly this year. As the season opened, the market was being flooded with low-cost imports from large-scale aquaculture projects in countries such as China, Vietnam and Thailand. Then, a pair of late-season cold fronts blew into Louisiana in quick succession, moving Louisiana's wild shrimp far offshore, beyond the reach of smaller vessels like the "Miss Christen."

Even with demand at an all-time high, and fresh shrimp selling for as much as \$6 or \$7 per pound at local groceries, the dockside price offered to shrimpers like Christen plummeted to the lowest level since the mid-1960s: less than \$2 per pound. Or, as Christen says, not even enough to cover the cost of his boat's fuel.

With industry leaders and politicians debating emergency aid measures from low-interest loans to food stamps to applying for federal disaster relief, many small, independent shrimpers have simply given up and begun liquidating their businesses. In south Louisiana, notices advertising boats for sale began to appear on telephone poles and in classified listings at a rate of more than a dozen per week.

And not just in the Pelican State.

"It's Gulf-wide and up and down the Atlantic seaboard," said George Barisich, president of the United Commercial Fisherman's Association, which is attempting to lead an eight-state anti-dumping lawsuit against countries, particularly China, Vietnam and Thailand, it accuses of selling shrimp at below-market prices. "What we're hearing across the waterways is 30 to 40 percent of the people are leaving the industry."

Shrimp too cheap

The crisis spurring their departure has been predicted for years. Though Louisiana's 30,000 or so licensed vessels typically land about 125 million pounds of shrimp each year, the state's position in the global marketplace has declined steadily over the past decade as the overseas farming operations, fueled by inexpensive labor and weak environmental regulation in Asia and Central America, have begun to dictate worldwide prices.

Fortunately for domestic producers, disease slowed foreign production in recent years, keeping the dockside prices offered local shrimpers high. In fact, many saw their best season ever in 2000, and used the flush economic times as an opportunity to buy new equipment and expand their business.

"The year 2000 was such a good year, so many people made money that they turned around and re-invested," said Martin Bourgeois, shrimp program manager for the Louisiana Department of Wildlife and Fisheries.

For many, that would turn out to be a huge mistake.

As the 2002 season opened, the now-widespread use of antibiotics in shrimp ponds in Asia and Latin America prompted a rebound in their yields, at the same time that three years of bumper crops in Louisiana came to an end, thanks to unseasonable cold fronts that drove

shrimp offshore during the early season.

Demand for shrimp remained high -- it passed canned tuna as the seafood most preferred by U.S. consumers for the first time on a recent federal survey -- but farms are much less subject to the vagaries of the weather than the Louisiana coast. So while local shrimpers struggled, overseas aquaculture boomed. Between 2000 and 2001, imports to the United States increased by almost 30 percent, from 760 million pounds to 987 million pounds, supplying most of this country's seafood restaurants and markets, according to the National Marine Fisheries Service.

"To a large extent, much of what we're seeing now has been forecasted for over a decade as aquaculture activities have increased," said Walter Keithly, an associate professor and economist at the Louisiana State University Coastal Fisheries Institute. "We were fortunate during the 1990s to have a very robust economy; even though we had some rapid increases in aquaculture, we did not see a sudden decline in price."

But Louisiana producers have landed only about 30 million pounds through June of this year, according to the most recent state data, and those landings came in a season that began with local distributors warning that their freezers were already filled with a glut of low-cost imports. And although prices were stuck at 1960s levels, shrimpers' expenses remained very much up-to-date.

"The price of gas has gone up, ice has gone up, everything has gone up except for the shrimp," said Celia Robin, a St. Bernard shrimper.

Ironically, for some of the domestic shrimpers struggling so mightily, the heady boom harvest of 2000 played a large role in their demise.

"If they had just banked that money, not re-powered their boat or built a new one, they'd be far better off," Bourgeois said.

With economic chaos gripping the industry, shrimpers tried to fight back. In Grand Isle they staged a work stoppage, demanding state aid. A Jean Lafitte-based group started a petition asking for federal disaster relief, and met with politicians around the New Orleans area to ask for short-term help such as low-interest loans or food stamps.

Similar protests occurred from Corpus Christi, Texas, to Bayou La Batre, Ala. In Gulfport, Miss., shrimpers began selling their catch directly to the public at a dock behind one of the casinos, saying they could earn more by cutting out the middleman.

Too little, too late?

Louisiana's shrimpers have won some concessions.

The Louisiana Department of Agriculture seized more than 1 million pounds of Chinese shrimp, saying they were contaminated with chloramphenicol, an antibiotic banned in U.S. foods but often used to control disease in shrimp ponds. Last week, at the request of Gov. Foster, the state Housing Finance Agency released \$100,000 in federal energy assistance to shrimpers having trouble paying their electrical bills -- the same amount recently offered beleaguered shrimpers in Bayou LaBatre.

But for many, that's too little, too late.

Across the Gulf of Mexico, boat manufacturers have begun repossessing vessels from shrimpers who can't make their payments.

"In Bayou LaBatre, Caterpillar Inc. has already seized 30 boats out of a 120- or 130-boat fleet," Barisich said. "That's already. Things are getting worse."

It certainly seems that way to Christen. And in many ways, he is a typical representative of the industry.

According to state data, the average captain of a vessel 35 feet long or longer has more than 21 years of shrimping experience and operates independently, without the economies of scale attendant in running multivessel fleets.

Like most of his friends, Christen prefers to operate without a boss, whatever the risks, so he's seen ups and downs before.

"But this is as bad as we've ever seen it," he said.

As he guided his boat down Bayou Barataria in Jean Lafitte last week, Christen saw evidence of an economic crisis everywhere he looked. The fall white shrimp season was in full swing, but the vast majority of shrimp boats stood dormant, tied up at the dock. Most flew a yellow flag -- a sign that, in a rare show of solidarity, they were donating a penny per pound to help pay the lawyers hired to handle the anti-dumping petition.

But few pounds are coming in. At Lafitte's unloading facilities, workers smoked cigarettes next to empty storage bins and idle forklifts.

"Normally, there's six boats at a time here unloading, and the bayou's full of other boats waiting in line," Christen said.

Just do the math

Shrimping has always been a hard living, he said, but it was a living, nevertheless. Lately, more and more of his friends are leaving it behind.

A recent study by the state's Select Council on Shrimp Management found that between 1989 and 1997, the number of vessels the size of the "Miss Christen" operating in Louisiana waters had decreased by 55 percent.

The math is painfully simple, even for a man who spent most of his school hours at sea, Christen said. Diesel fuel costs about \$1 per gallon, while ice costs about \$8 per block. Fully loaded for a fishing trip, the "Miss Christen" carries about \$70 worth of ice and about \$600 worth of fuel. But the boat's hold carries only about 300 pounds of shrimp.

With the most readily available shrimp fetching a little more than \$2 per pound dockside, down from \$3.50 five years ago and \$2.75 two years ago, a full load still leaves him just shy of breaking even. And that's assuming he doesn't break anything.

"If something was to happen, I'd have to leave it like it is," Christen said. "I don't have the money to fix it."

Similar problems led William "Ti" Vila of Chalmette to offer his 42-foot boat "Pretzel Logic" for sale two weeks ago.

"We're running expensive machines," he said. "If the prices could just be fair, be somewhere in the middle, I could make it. But this is beating my head against the wall."

Two years ago, he had a new truck and a boat and was on his way to owning a home. Not anymore.

"They repossessed my truck," he said. "I'm behind on my house note. I'm behind on my credit cards. I owe everybody under the sun. I love shrimping. It's in my heart. But I can't survive in it anymore."

The effect of such despair on towns such as Jean Lafitte, where about 70 percent of the population works in the seafood industry, has been profound, town Mayor Tim Kerner said.

A domino effect

"People are suffering," he said. "It's not just shrimpers. The other 30 percent of the town owns groceries, hardware stores, and they depend on the shrimpers. People are going to lose their boats, or even worse, their houses."

The most frustrating part of the situation, Christen and his neighbors say, is that over-the-counter prices have barely dropped at all. On a regular basis, they go to supermarkets and see the same shrimp they sold for less than \$2 per pound on sale for three or four times as much.

"As in many food commodities, the price of the raw product is only a small portion of the retail cost," said Keithly of LSU. "They still have the same transportation costs and such. A 30 percent decline in the dockside price does not necessarily mean a 30 percent decline in the retail price."

On good days, instead of shrimping, Christen said, he buys others' catch from the docks and sells it by the roadside from his truck, undercutting the grocery stores. But lately, with few shrimpers working, the docks have had nothing to sell.

Christen knows he's one of the lucky ones: He knows carpentry and fiberglass work and can find another job. His uncle, Darrin Helmer, also a shrimper, starts work at a local marine supply shop Monday, and his father, also a shrimper, is repairing appliances for cash.

But Christen's situation is dire nonetheless.

He bought a truck last year, after investing most of his money in the "Miss Christen," and is having trouble making his payments on both. Putting the boat up for sale isn't even likely to help much, he said. Christen's asking \$80,000 for a boat worth more than \$120,000, but, as he put it, "Who's going to buy a shrimp boat right now?"

He maintains some hope. The proposed low-interest loans could carry him through the winter. Maybe next season's harvest will be good enough to keep him working as a shrimper.

But as he looks at Helmer's 22-month old son, bouncing on the deck in his diapers, he echoes a sentiment that state officials say is shared by more than 75 percent of Louisiana's harvesters.

"Make sure he's no shrimper," he said. "My two sons, I'm going to guide them away from it. I'd love for them to be shrimpers like their

daddy and his daddy. But there's no point."

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