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## Imports eating away at Georgians' livelihood

 By [DAN CHAPMAN](#)  
 The Atlanta Journal-Constitution

**DARIEN** -- Time was, a Georgia shrimper scoffed at the government messing with his wind-blown freedom to harvest boats-full of the sweetest crustacean found off any U.S. coast.

Shrimpers were irascibly independent souls who damned authority and laughed all the way to the bank.

"I've had some \$18,000 days," boasts John Wallace.

Strangers offered to finance boats for Wallace. Banks begged to lend money. A 1,500-boat armada of shrimpers plied Georgia's coastal waters.

But that was before the federal government told shrimpers when to fish and where to fish and which costly, catch-reducing environmental regulations to follow.



Bitu Honarvar / AJC  
 Shrimper John Wallace, president of the Georgia Shrimp Association, is one of many Georgia shrimpers who is suffering economically from the influx of imported shrimp to the United States.

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It was before droughts sullied shrimp breeding grounds and diseases wiped out entire harvests and shrimpers lost their aura of invincibility.

"I'm one breakdown away from going to the bank," laments Wallace.

The banks and the insurance companies don't return calls anymore. Wallace repaints his boats once, not twice, yearly. Georgia's shrimping fleet has dwindled to 475 boats.

The worst may yet come. A tsunami of imported shrimp -- from Thailand, Vietnam, Ecuador, Mexico, China and dozens of other countries -- is drowning the U.S. shrimping industry.

Eighty-eight percent of shrimp consumed in this country is imported. Big seafood processors, such as King & Prince in nearby Brunswick, no longer buy domestic shrimp.

So Wallace, and thousands of other once-proud shrimpers from North Carolina to Texas, are doing the unthinkable.

They're begging the government for help.

"Where else are we going to go?" Wallace asks, sheepishly.

Many of the 40,000 full- and part-time shrimpers have banded together to form the Southern Shrimp Alliance to plead with Washington for quotas or tariffs -- anything -- to stem the tide of imports.

They face formidable opposition, and not just from the political clout wielded by 50 foreign governments. U.S. fish processors, seafood distributors, restaurant chains, grocery stores and other well-funded allies have rallied under the free-trade banner.

Their trump card: Fewer imports mean consumers will pay more at Publix and Long John Silver's for this nation's most popular seafood.

Robert Brubaker, CEO of King & Prince, sympathizes with U.S. shrimpers. He built his minimum \$100 million-a-year business on the backs of Georgia shrimpers and their acclaimed product.

But U.S fisheries can't keep up with America's ever-growing demand for breaded shrimp, so Brubaker says he has no choice but to import millions of pounds of shrimp each year.

"I'm sure their livelihood is in danger," says Brubaker, who'll soon retire after 35 years in the seafood business. "There's no question about it, but they're being displaced by a more efficient technology: farm-raised shrimp."

Ultimately, what might save Wallace and his seafaring brethren is to play the free-trade game.

They've decided survival depends on marketing "sweet Georgia shrimp" to more discerning palates. Higher-end customers, the theory goes, will readily pay extra for shrimp harvested off Georgia's coast.

### **Shrimp surpasses tuna**

Most industries would salivate over the demand-side portion of the macro-economic equation squeezing shrimpers today. Americans eat more than twice as many shrimp -- 3.4 pounds per person per year -- than they did in 1980.

A total of 1.4 billion pounds of shrimp -- all but 170 million pounds imported -- is consumed annually, surpassing tuna as this country's favorite seafood.

America's appetite starting changing about 15 years ago.

"I remember one day we went to Golden Corral and said, 'You guys ought to have shrimp on your menu,' " recalls Brubaker. "They said, 'How can we afford to put shrimp on the menu?' We showed them how. Smaller and breaded shrimp are now a huge hit."

Imports were foreign to Brubaker 35 years ago. He relied

on the seasonal catches of shrimpers from the Carolinas to Texas.

As America grew richer, so did its tastes. Shrimp dropped from the specialty-food category, where lobster resides, and into the affordable realm favored by homemakers and fast-food patrons.

Red Lobster, Captain D's and Shoney's all serve relatively cheap and copious amounts of breaded, bite-sized popcorn shrimp. And they're all Brubaker's customers.

He buys frozen, naked shrimp from Ecuador, Venezuela, China, Thailand and 20 other countries. He breads, deep-fries and refreezes them before 18-wheelers deliver them to restaurants, grocery stores, universities and more across North America.

"It bothers me whenever somebody tries to restrict free trade," Brubaker says. "The world changes. Business changes. People's desires and consumption patterns change, and you can't force things to remain as they were."

Georgia shrimpers know that only too well. In 1979, they earned \$25 million for the more than 6 million pounds harvested. Last year, they caught 3.2 million pounds and earned \$10 million.

Costs have skyrocketed, while prices have gone south. Shrimp fetched an average price of \$4.26 a pound dockside in 1989. Last year, it was \$3.98 a pound. All the while, imports keep going up.

"Because the imports are priced at such a low level, they can't compete," says Donna Fisher, an assistant economics professor at Georgia Southern University. "We've had a shrimp industry in Georgia for how many generations? It's part of Georgia's heritage, so it'd be sad to see it disappear altogether."

### **Shrimpers unite**

The once-independent shrimpers have decided economic

survival means banding together to fight imports. The nonprofit Shrimp Alliance, based in New Orleans, is raising tens of thousands of dollars -- Georgia's shrimp industry is trying to come up with \$60,000 -- and hired well-connected lawyers and former lawmakers in Washington.

The law firm of Dewey Ballantine is investigating whether foreign countries are illegally "dumping" shrimp, at unrealistically low prices, on the U.S. market. Imports from targeted countries, according to the alliance, have risen sharply the last three years: China, up 73 percent; India, up 74 percent; Vietnam, up 169 percent.

"It's not our intent to stop imports; we want to control them. The whole intent is to boost the price back up of domestic shrimp," said Elaine Knight, one of two alliance representatives from Georgia.

Shrimpers were encouraged last month when the Commerce Department ruled that the Vietnamese illegally dumped catfish on the U.S. market. Vietnamese catfish exports doubled from 2001 to 2002. Commerce recommends tariffs as high as 64 percent on catfish from that nation.

The alliance is also seeking legislative relief. One bill would force the government and development banks to curtail loans and grants to countries whose shrimp ponds compete with the domestic industry. Another bill would require stricter enforcement of environmental rules for incoming shrimp.

The group is considering asking the government for subsidies such as those routinely given to farmers; boat buyouts; tax credits; guaranteed sales to the U.S. military; lessened environmental restrictions; and more.

"We can't make imports go away, and we can't supply the [entire] U.S.," says Wallace. "It's not so much that we're against free trade; we just want fair trade."

Wallace and other shrimpers take particular exception to the manner in which the foreign, pond-bred crustaceans are raised. The European Union and Canada, for example,

temporarily banned pond-raised shrimp from Southeast Asia last year after finding they contained banned chemicals.

Alliance members also contend that low-wage Asian, Latin American and African shrimpers represent little more than "slave labor" and, as such, comprise yet another unfair trading advantage.

### **A \$9.8 billion business**

Brubaker, who also is chairman of the American Frozen Food Institute, labels as "red herrings" claims of slave labor and unsanitary shrimp. He and others in the seafood industry have raised hundreds of thousands of dollars "to make sure legislators in Texas, Louisiana and Washington hear our side of the story." King & Prince recently kicked in \$25,000 for the lobbying campaign.

A recently released industry-funded study notes that the shrimp importing business accounts for \$9.8 billion a year and employs 100,000 people. Brubaker feels certain the shrimp-eating public will side with the industry, too.

"Consumers are greatly benefiting from lower-priced shrimp, which is caused by all the imports," he says. "The only people in this community who think the price of shrimp is too low is the shrimper."

Yet there is surprising agreement between shrimper and seafood processor alike on how to help the domestic industry. Both say the number of shrimp boats should be reduced, possibly via federal buyouts. And both believe the shrimpers' ultimate salvation lies in so-called niche marketing.

"They get a lot of sympathy in the press because of their aura and the imagery of the shrimp boats in the sunset," says Brubaker. "Unfortunately, that's where they are."

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