Community Stability, Rural Development, and the Forest Service

The Forest Service, the largest agency in the U.S. Department of Agriculture, has traditionally used the expression "community stability" to describe its rural development policy. That has meant growing and harvesting trees following principles of "sustained yield" so that local industries (and the employment they generate) can be supported over long periods of time. In recent years, however, environmentalists have questioned the value of timber harvesting in the national forests. As a result, the Forest Service now places greater emphasis on noncommodity uses of the national forests, such as recreation and wildlife, and is beginning to redefine its approach toward community stability.

Although the Forest Service is the largest agency in the U.S. Department of Agriculture, many people do not associate it with the idea of rural development. The most obvious reason is that the Forest Service manages trees and is often not identified with agricultural and rural issues. Another reason is that historically when its personnel have spoken about rural development they usually used the expression "community stability" to describe the policy. This usage arose because early Forest Service leaders wanted to contrast the communities they hoped to assist through careful timber management with the unstable lumber towns created by the highly mobile logging industry. Consequently, for many years the agency held an implicit belief that stable rural communities existed in a state of relative social and economic equilibrium. Its definition is now more sophisticated and incorporates the idea that communities are most stable when they can adjust to gradual change and development.

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In the last decade, community stability has become a lively topic within the Forest Service, chiefly because of public debate over its timber management program, which has played a dominant role in the agency since its beginning. Until recently, foresters were taught that growing and harvesting trees were their principal duties. For most forestry graduates before the 1970's, "placing a forest under management" usually meant administering timber sales and building access roads. Foresters were instructed in the principles of "multiple-use" and were taught to make natural resources available to industry, farmers, and ranchers in a way that "sustained" their yield in perpetuity. Other uses of the forests, such as for recreation and wildlife habitat, were included among foresters' responsibilities but they were subordinated in their scale of values to the growing and harvesting of trees.

These ideas meshed well with the concept of community stability because selling timber to local industries has been the agency's traditional way of assisting rural economies. For many years, timber and community stability programs reinforced and justified each other, but this began to change in the 1970's when environmentalists mounted a campaign against timber harvesting on the national forests. As a result, the agency has been forced to look more closely at both its timber program and its definition of community stability. More than any other agency within the Department of Agriculture, the Forest Service has confronted the conflict between local rural development and national environmental policy. In the following, I examine the historical development of the Forest Service's notion of community stability. Most of the examples come from the Pacific Northwest because the debate over community stability and timber harvests has centered on that region.

The Early Years

At the end of the 19th century, social reformers became concerned over the rapid depletion of forests as the logging frontier moved westward. It seemed to many observers that whatever was not being cut down was being burned with the debris left behind by "cut-and-get-
out" logging operations. In the Eastern States, farmers had followed quickly on the heels of loggers and converted cut-over land to farms and the communities were "stabilized" as farming communities. But, when the logging frontier moved into the Great Lakes region, this cycle was not repeated. In many cases, rural logging communities were left stranded and economically depressed when their forests had gone and, because of the short growing season, were unable to convert successfully to stable agricultural communities. Unrestrained exploitation of private forest land appeared not only to endanger the future supply of timber but also to threaten the stability of communities economically dependent on the timber industry.

In 1891, Congress gave the President authority to create "forest reserves" (renamed national forests in 1907) out of the public domain. Eventually, 190 million acres entered the system: approximately 170 million acres from the public domain in the West and 20 million acres purchased from private landowners in the East. Some early conservationists, such as Sierra Club founder John Muir and Harvard botany professor Charles Sprague Sargent, urged that the reserves be protected from all development and be treated essentially as national parks. Others, such as Gifford Pinchot, the first native-born American trained in forestry, believed that they should be open to use. The advocates of "wise use" maintained that professional forest management had to become established in the United States and that the only place to begin was the forest reserves. They also argued that westerners, accustomed to virtually unrestricted access to the public domain, would oppose the creation of any more reserves if those already in existence were "locked up." Herein was contained the germ of the concept of community stability because the proponents of "wise use" stated that local communities should have principal access to resources of the forest reserves.

In 1897, Congress resolved this dispute by passing the so-called forest "Organic Act" which stipulated that the forest reserves existed to protect watersheds and to provide a "continuous" supply of timber to the citizens of the United States. The word "continuous" contained in embryonic form the future Forest Service doctrine of "sustained yield" by which trees would be systematically harvested and regrown in perpetuity.

The Forest Service was created in 1905 and the forest reserves, which had gradually been increasing in number since 1891, were transferred to its jurisdiction. Gifford Pinchot served as its first chief and established, in his 5-year tenure, the basic policies that guided the agency for the next several decades. One of these was that the use of forest resources should primarily benefit local communities. The "Organic Act" had not explicitly mentioned local communities, but the agency interpreted the act broadly so as to include a responsibility to them. For instance, timber harvesting was organized around so-called "working circles" which usually encompassed the local community. Timber from these working circles generally was sold to local mills.

Pinchot was also instrumental in promoting the idea that the United States faced the threat of an imminent "timber famine" because of overcutting on private land, and that sustained yield forestry on the National Forests was the only way to forestall it. Over the next several decades the agency continued to issue warnings of a timber famine. These never materialized because changes in technology and the substitution of other materials lessened the demand for wood products. Nevertheless, the notion of a timber famine remained central to Forest Service thinking. It meant that national forest timber was essential to the long-term welfare of the national economy and therefore was often used to justify its timber management policies and indirectly its support of timber-dependent communities.

The Concept Before World War II

Until World War II, lumber companies found most national forest timber to be relatively inaccessible and expensive to harvest and therefore did not pressure the agency to offer many timber sales. In addition, overcapacity, overproduction, and low prices were constant problems for the industry. National lumber companies, therefore, did not want to have to compete in national and regional markets with timber from the national forests. The Forest Service obliged the private companies by limit-
The depression of the 1930's appeared to reinforce the connection between employment and sustained-yield forestry in the minds of Forest Service personnel. The timber industry had excess capacity because its goal was to liquidate old-growth trees as fast as possible. This led to boom-and-bust production cycles. The institution of sustained yield, on the other hand, would have stabilized the industry and its dependent communities by spreading harvesting over a longer period. The problem was that unrestrained competition prevented individual companies from adopting a sustained yield approach to timber production. The Forest Service consequently proposed several times (in vain) that private timber harvesting be federally regulated. By the end of the decade a few large companies, motivated more by the fear of exhausting their own timber resources than by the threat of Federal action, started to practice sustained yield forestry.

In the late 1930's, some national forest managers in the timber-rich Pacific Northwest began to anticipate a time when national forest timber production would grow and become an integral part of local economies. In Siskiyou County, CA, for instance, agency officials predicted that private timber supplies would soon be exhausted. They consequently foresaw that government timber would become a more attractive buy for local companies. As sales of national forest timber became more important to the profitability of lumber companies, the agency hoped to use them as inducements to persuade or pressure the companies to practice sustained-yield forestry on their own lands. According to these planners, large mills would give way to smaller mills more adapted to the scattered tracts of national forest timber. This gradual transition would lessen the shock to local communities and help keep their economies stable when private supplies were depleted.

In 1943, Forest Service Chief Lyle Watts saw a similar situation developing in southern Oregon but he was less optimistic about the possibility of smoothly converting to sustained yield forestry and therefore more stable local economies. Pointing to the doubling of population between 1920 and 1940 and the rapid buildup of mill capacity, he warned that "local people and the State will have to pay dearly and long for the short-lived boom" because most of the remaining timber was on public lands "where light selective logging has been or will be practiced to maintain productivity. . . ." Forest Service predictions of a national timber famine did not come true but Watts' warning was prescient. In the 1980's, several decades after Watts had foreseen the onset of economic difficulties, thousands of loggers and mill workers were laid off when supplies of old growth timber were exhausted in southern Oregon. Unemployment rates reached nearly 20 percent in some counties, and the media began to speak of Coos Bay, Oregon, as the "Appalachia of the Pacific Northwest."

Community Stability After World War II

The outbreak of World War II placed greater demands on the Forest Service and hastened the advent of a new era. National forest timber production almost tripled, going from around 1 billion board feet in 1939 to nearly 3 billion in 1945.

Harvests from the national forests continued to grow after the war. Private supplies of softwood timber were being depleted, which again provoked warnings from the Forest Service that a tim-
ber famine threatened the country. The return of millions of servicemen created a tremendous demand for timber for housing which private industry alone was unable to satisfy. The agency increasingly saw itself as a principal supplier of soft-wood to the entire Nation. As a consequence, the Forest Service spoke less frequently about the need to promote community stability than it did about its new role in national timber markets. In fact, it might be said that during the 1950's the Forest Service became actively involved in community economic development because its sales of timber stimulated the creation of new jobs and markets rather than simply helping to preserve those already in existence. In the early 1950's, the national forests satisfied only about 15 percent of the demand for timber from western forests. By 1962, the national forests' share had risen to 30 percent. This trend was probably most evident in several Rocky Mountain communities where the lumber industry got started for the first time in the 1950's.

In general, the 1950's was a period of "boosterism" for the agency as it attempted to promote rural economic development through the sale of national forest timber. In many cases, the Forest Service induced companies to establish themselves in regions which had experienced little or no previous timber harvesting. Rural communities usually embraced these policies because of the obvious economic benefits they provided. For its part, the Forest Service was pleased to place forests "under management" which hitherto had received only "custodial" care. For instance, the pulp industry on the Tongass National Forest in Alaska expanded considerably as a result of several long-term sales. By 1980, the pulp industry had become so important to the local economy that the Alaska Native Claims Settlement Act required the Treasury Department to provide money to the Department of Agriculture so that the Forest Service could make available "four billion five hundred million foot board measure per decade" to the pulp companies dependent on timber from the Tongass National Forest.

**Rise of Environmentalism**

During the 1950's, however, other forces were beginning to impinge on the national forests which would eventually conflict with the traditional notion that timber harvests promote rural development. Urban residents began to visit the national forests in ever-increasing numbers. For many years, the Forest Service had espoused a doctrine of "multiple use" according to which the national forests were to be managed for a variety of uses, including recreation and wildlife. During the 1930's, it had even set aside from most forms of commercial development 14 million acres of "primitive land," which later formed the basis for the modern wilderness system.

By the end of the 1950's, however, the agency concluded that legislation was required that would formally establish "multiple use" as the basic principle of Forest Service management. Otherwise, it was felt, irreconcilable conflicts would develop between vacationers, who valued scenery and old-growth trees, and commodity interests, who wanted to harvest many of those trees. In 1960, the Multiple Use Sustained Yield Act was passed recognizing timber, range, wildlife, recreation, and water as co-equal resources of the national forests. This legislation was important symbolically but it actually turned out to have little practical significance because it did not prevent or even mitigate conflicts over resources.

The passage of the Wilderness Act in 1964 was the main reason the Multiple Use Act did not accomplish its objective. The Wilderness Act immediately placed 9 million acres of land into the Wilderness System but, more important, its language allowed wilderness advocates to press for the inclusion of many more millions of acres.

During the following years, the wilderness movement, which drew most of its strength from middle-class urbanites, repeatedly clashed with the timber industry and local timber-dependent communities over the allocation of national forest resources. For several years the wilderness organizations pursued a piecemeal strategy. National or regional attention was focused on one area at a time. After Congress had been persuaded to place an area into the Wilderness System, the organizations moved on to a new area. This was an effective but very slow strategy. It frustrated both the timber industry and the Forest Service which felt hampered in their ability to make long-term economic and land-management plans.

In 1972, the Forest Service attempted to stabilize this situation (and indirectly rural communities) by engaging in a national Roadless Area Review and Evaluation (RARE) which it hoped would decide once and for all which national forestlands should be recommended for wilderness designation and which should be open to commodity use. A Sierra Club lawsuit foiled this objective, so in 1977 the agency tried again with an even more comprehensive review called RARE II.

In 1978 and 1979, the Forest Service evaluated 66 million acres of potential wilderness land or approximately one-third of the national forest system. It conducted hundreds of town meetings and received hundreds of thousands of cards and letters from environmentalists, timber workers, and other citizens. The agency's traditional concern for the welfare of dependent communities resulted in a relatively conservative share of the land being recommended for wilderness designation. As they had many times before, the Sierra Club and the Wilderness Society accused the Forest Service of being biased toward industry.

After being at an impasse for several years, wilderness proponents and the Reagan administration reached an agreement in 1984. During that summer, Congress passed wilderness bills for 18 States that placed 7 million national forest acres into the Wilderness System, making it the largest single addition to the system since the Wilderness Act in 1964. The Forest Service was directed to study many millions more and recommend which should be given wilderness designation. Finally, the remaining acres were "released" and made available for commodity production if called for in forest plans mandated by the National Forest Management Act (NFMA) of 1976. "Release," however, was not permanent for, if at the end of the first cycle of forest plans (10-15 years) some roadless areas had not yet been developed, they could once again be studied for possible wilderness designation. The National Wilderness System now includes 35 million acres, 18 percent of national forest land.

Debates over forest management, community stability, and environmen-
tal protection now focus primarily on NFMA and the Endangered Species Act. For instance, the recent decision by the U.S. Fish and Wildlife Service to list the northern spotted owl as a "threatened" species may remove at least 1 million acres of old-growth Federal timber land from potential harvest. According to a May 1990 joint study by the Forest Service and the Bureau of Land Management the major economic effect of reducing the annual timber harvest in the northwestern national forests from 4 billion board feet to 2.5 billion board feet will be the loss of over "25,000 direct and indirect jobs." Since then, an administration task force studying the effect of listing the spotted owl as a "threatened" species concluded that up to 20,000 jobs would probably be lost by the end of the century. As the accompanying table shows, this figure represents about 26 percent of the jobs now directly created by national forest timber sales in Oregon, Washington, and California. (In addition, county governments may lose up to $70 million from the "25 percent fund" which is paid out to the State government from total Forest Service timber revenue.) The timber industry claims, on the other hand, that up to 150,000 jobs, directly or indirectly dependent on Federal timber sales, will be lost. Environmentalists argue that harvesting the remaining old-growth timber will only delay the inevitable decline of some mills and that most jobs are lost not because of the volume of Federal timber sales but because of automation and trends in the international economy. Whatever projection turns out to be correct, communities isolated from major urban areas and highly dependent on the lumber industry will have the most difficult time adjusting to the decrease in Federal timber supplies.

The Forest Service estimates that 132,000 jobs nationwide depend directly on national forest timber. From 1983 to 1988, the total annual harvest averaged 12.2 billion board feet. The agency projects that, because of the decrease in the Northwest, future harvests will average 10.6-12 billion board feet on the approximately 60 million acres of national forest land potentially suitable for commercial production.

NFMA requires each national forest to prepare comprehensive plans integrating economic and environmental objectives. It does not specifically mention community stability as an objective, but it does require the Forest Service to consider the wishes of the public, including the local community, when drawing up its plans. Also in 1979, USDA issued regulations stipulating that community stability be considered in regional forest planning objectives. However, except for the Alaska Native Claims Settlement Act of 1980 and the Sustained Yield Act of 1944 (which temporarily affected only seven national forests), Congress has been unwilling to mention community stability explicitly in legislation. Therefore, some analysts have concluded that Congress intends that community stability objectives should flow indirectly from the implementation of multiple-use plans and that it should not be the principal objective that drives planning. However, they also point out that Congress was very consistent during the 1980's in its level of funding for the Forest Service timber program, indicating that it is interested in assisting local economies and the timber industry.

In recent years, the apparent conflict between environmental protection and community stability has caused agency planners to reconsider the meaning of community stability and to question whether traditional timber management policies actually promote it. A sudden drop in timber harvests will clearly harm community stability, at least in the sense in which the Forest Service has traditionally defined it. In that sense, there is a conflict with environmental objectives. On the other hand, many analysts argue that communities with economies based on one industry are inherently unstable. Perhaps timber-based communities will emerge out of this present conflict with more broadly based local economies, including tourism, retirement, and other activities that will make them more resilient.

For Additional Reading...


| Table 1—National forest timber program for 1989 |
|-----------------|--------------|-------------|
| Item            | Oregon       | Washington  |
|                 | Dollars      | Dollars     |
| Volume harvested| 3,952,687    | 1,286,755   |
|                 | 1,000 board feet | 1,981,717   |
| Jobs created    | 42,112       | 13,597      |
| Total revenue   | 776,073      | 190,327     |
| Total operating expenses | 222,409 | 81,487 |
| Payments to States | 165,318 | 45,547 |
| Net gain to U.S. Treasury | 388,346 | 63,293 |
|                | 1,000 dollars | 20,811      |
|                | 267,786      | 124,122     |
|                | 143,664      | 80,705      |

1Consists of expenses involved in administering and monitoring sales, principally salaries for timber management personnel.

2By law, 25% of revenues are given to the States that distribute revenues proportionally to the county governments where timber harvesting occurred.

3All Forest Service revenue goes to the U.S. Treasury. Timber management activities are funded out of regular congressional appropriations.