

On America's long march toward the welfare state, retention of public lands by the feds was the first milestone. Let's demolish that milestone.

Federal imperialism

BY ROBERT H. NELSON



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IS CONGRESS SERIOUS about devolving major federal responsibilities to the states? It can show it is by transferring the public lands to the states.

The federal government owns almost 30% of the U.S., most of it in the West. Nevada is 83% federal. Nevadans complain of being a federal colony. That's because the federal government makes decisions over this vast domain on matters that everywhere else would be state and local. Can pipelines be constructed, dams erected, ski resorts built? The feds decide.

Economist Randall O'Toole has commented that the assets of the U.S. Forest Service would rank it in the top five among corporations in the U.S., but in terms of net income, the agency "would be classified as bankrupt."

But it won't be enough just to give title to the states. If the western states were required to follow all the existing federal rules and procedures, the land might become a burden. To be workable, the transfer must be done with few strings attached. That's why I say this is a real test of how serious Congress is about devolution. Congress would really have to keep hands off

The states could cut management costs and get revenue from these valuable properties. Or they could preserve them intact. The decision would be made locally.

Whatever the states decide, land management would improve. A 1994 study by Donald Leal of the Political Economy Research Center in Bozeman, Mont. shows why. It found that on adjacent forests in Montana, the state earned \$13.7 million on its own timber operations over a five-year period while the nearby federal timber programs cost taxpayers \$42 million.

In one region, state managers required 4.5 hours of labor per thousand board feet of timber sold. The Federal Forest Service took 11.6 hours to do the same thing. Did the savings achieved come at the expense

If Congress is serious about devolution, what better place to start than with federal lands.

of the environment? Absolutely not. The state lands received higher ratings for environmental protection.

A 1980s Interior Department study found that when all costs were accounted, livestock management by the Federal Bureau of Land Management was costing over \$100 million a year, while total grazing fee collections were less than \$25 million. Recreationists were even more heavily subsidized, paying less than \$1 million in user charges, while the Bureau of Land Management was spending more than \$100 million on their behalf. Would it

be so horrible to require backpackers to pay a few bucks for the scenery and solitude they so desire?

The federal government in 1992 did manage to collect \$865 million in royalties from its oil and gas, coal and other mineral leases. But most of the revenues were disbursed to state governments or to accounts other than the U.S. Treasury.

It wasn't always thus. In the 19th century the policy of the federal government was to dispose of the public lands in the interest of economic development to homesteaders, railroad builders and others. But around the turn of the century, there was a change of policy. Public lands became pawns to the new vision of scientific management of society. Conservationists such as Gifford Pinchot in 1905 argued that private management would inevitably waste the nation's timber and lead to a "timber famine." Only the federal government, Pinchot argued, could supply the scientific skills to use the forests and rangelands of the nation for the long run.

Progressivism was an American version of socialist planning, based on a dream of applying "science" to public policy. That dream has ended as badly here as those dreams have elsewhere, though luckily for us not on the same scale. Everywhere in the world today, privatization is on the march. Nations are dismantling the dismal 20th-century legacy of government property and resource ownership.

So, what is Congress waiting for? It can turn the public lands from a liability for taxpayers into an asset. Transfer them to the states, perhaps retaining at the federal level a few park and wilderness areas that for environmental or historical reasons are of genuine national distinction.

Devolving ownership would not necessarily result in state management. The states would have many options. They could continue to own the lands or further decentralize ownership to local governments. They could create public corporations to run them. Ownership could continue to vest in the state, but management could be contracted out to private parties. Many policy flowers would bloom, and we would find out which blossomed the best. What better place to start if we are serious about scaling back the welfare state?