Remarks as Prepared for Delivery for the Honorable Lynn Scarlett HERITAGE FOUNDATION SPEECH August 29, 2002

Moving Beyond Conflict: Private Stewardship and Conservation Partnerships

I am delighted to be here among so many old friends and colleagues. Having been at Interior for just a year, I am still getting used to the daily blizzard of issues and activities under the Department of the Interior's umbrella. These range from management challenges that accompany operating 57,000 facilities or reducing the park maintenance backlog to land-use policy challenges such as those raised by catastrophic fires devastating the West to the role Interior plays in international affairs, whether preparing Interior perspectives on the World Summit on Sustainable Development in South Africa or engaging with the State Department in discussions on bi-lateral trade treaty negotiations.

The Department of the Interior manages one in every five acres of land in the United States. We operate over 800 dams and irrigation facilities that provide drinking water to 31 million people. We oversee water projects that irrigate lands that generate 60% of our nation's vegetables. The Department holds trust responsibilities for Native Americans, Native Alaskans, and affiliated island communities. And, of course, we play a major role in environmental and conservation decisions. The common thread running through these diverse topics is their direct impact on real people, their hopes, and their abilities to pursue their dreams. It is often tempting to think of public policies and governance as abstractions or in terms of aggregate statistics. But each and every action that we take, one way or another, affects individuals and their futures.

What roadmap does Secretary Norton bring to these responsibilities and challenges? Join me on a virtual journey that will help illustrate this Administration's vision. First, let's head into Indian County, to the Navajo Nation to celebrate a high-tech partnership between the Navajos and an entrepreneurial organization that will provide the Navajos off-grid energy, wireless internet connections, and opportunities for e-commerce.

The Department is participating in this partnership as part of the President's vision for the World Summit on Sustainable Development. The Navajo nation will link up to villagers in South Africa. The Navajo's entrepreneur-partner operates off-grid powered community centers in India, Ghana, Jamaica, and the West Bank, with others on the way in both Tibet and Brazil. This partnership brings telemedicine connections, satellite phone links, and digital cellular access for high-speed communications. This high-tech, low-cost system can power water purification to meet the needs of up to 20,000 people at one location. One billion persons around the world still live without

clean water. Many Native Americans still have no access to electricity. The Navajo Nation's off-grid partnership is a financial investment designed to generate economic returns, environmental benefits, and social gains.

This effort reflects several dimensions of the Administration's roadmap: a vision of partnerships – business partnerships and non-profit partnerships. This vision understands the centrality of economic dynamism to human progress, including environmental progress. It comprehends the fundamental link between economic progress and improvements in quality of life.

Join me next in a virtual flight to southern Arizona. Last fall, I traveled there to meet with ranchers, conservationists, and others. The dry and harsh, but beautiful landscape is home to fourth and fifth generation ranchers who have in the last decade found themselves increasingly under siege from an environmentalism rooted in the old environmentalism's 3 P's of prescription, process, and punishment.

The old environmentalism set prescriptive rules. Such rules impose one-size-fits-all requirements that may have little relationship to ensuring healthy forage and ecosystems. It measures success in terms of how well procedures and paperwork have been completed—a sort of "have a permit, pass go" orientation. And it led with the "stick," assuming that human motivation to excellence is best achieved through threat of punishment rather than through incentives, example, and inspiration.

The old environmentalism resulted in some successes. The air *is* cleaner; water quality is improving. But the old environmentalism also has come with high costs—not just in dollars, but in personal dreams as some well-meaning folks have found themselves caught up in a web of process, paperwork, and sometimes punishment. When the tool of choice is the stick, rather than the carrot, bitter conflict is often the result. And prescription too often leads to unintended consequences.

Those in southern Arizona are not alone in their frustrations, nor are the problems resulting from the old model unique to the ranching community. Consider, for example, the current epidemic of catastrophic fires. First, a few details: Some 7 million acres burned in 2002—double the 10-year average. The fires are burning with greater speed and intensity than in the past. For example, the Rodeo Fire in Arizona grew from 800 acres to 46,000 acres in one day. The Hayman Fire surged to five times the size of the previous largest fire in modern Colorado history and forced the evacuations of 80 communities. The Biscuit Fire in Oregon is the largest in that state's modern history. The result? We saw over 2,300 homes burned, 125,000 acres of spotted owl habitat destroyed, 77,000 evacuees in Colorado alone, and water supplies for both people and the environment threatened by sedimentation and erosion.

Yes, much of the West has fire-adapted ecosystems. Fires can be natural—but not these fires. A massive fuel build-up has resulted from the "put out every fire" approach to forest management, and a crippling decision-making process has further exacerbated the situation. Consider, for example, the context in which decisions are

made. In the Santa Fe National Forest, it took over five years and \$1 million to compile the documentation necessary to withstand appeals. At a BLM Project in the Squires Peak area of Oregon, a hazardous fuels reduction project on 24,000 acres required six years of analysis and legal review, 830 pages of documentation, two lawsuits, and several appeals before work started on one 430-acre segment. Unfortunately, the untreated portion caught fire and rapidly ignited other untreated areas.

These are not unique instances. The Forest Service has identified 800 individual requirements for forest land-management decision and estimates that planning and assessment activities consume 40% of its total work (equal to \$250 million per year) in national forests. Restoration and rehabilitation work is not immune from these requirements. In Bitterroot, the Forest Service spent 15,000 person-hours (57 person-years) preparing an analysis for recovery work in a burned area.

The President announced the Healthy Forests Initiative in 2002. Its key elements include stewardship contracting, fuels treatment prioritization, and procedural improvements. Stewardship contracting will result in thinning through partnerships and an offsetting of costs by capturing some economic value from thinned material and biomass. In cooperation with states and local communities, prioritization will expedite fuels reduction and forest restoration.

The Initiative is not about willy-nilly fuels projects anywhere and everywhere. The Initiative focuses on forest health and the efficient utilization of resources. It focuses on improving procedures for making fuels-treatment decisions. Procedural improvements will reduce overlapping reviews by combining project analysis and having concurrent project clearances by federal agencies. Procedural improvements will help ensure that judges weigh the long-term benefits to people, property, and the environment against any short-term risks to the environment from fuels treatment projects. Such procedural improvements will also allow for greater consistency in implementation of National Environmental Policy Act (NEPA) procedures for fuels treatment activities and restoration activities.

This brings me back to Secretary Norton's roadmap. It can be best summarized in the 4 C's – Conservation through Cooperation, Communication and Consultation. What lies behind this banner phrase? Cooperation signifies the Department's emphasis on voluntary action, partnerships, contracts, covenants, compacts, and respect for property rights. Communication highlights the Department's commitment to transparency and accountability in all matters and to the innovation that occurs through the free exchange of ideas. Consultation emphasizes the Department's commitment to landscape-level action and to what Nobel laureate F.A. Hayek referred to as the experiential knowledge of time, place, and circumstance.

It is the local landowners and folks who work in the field who have the textured, tailored knowledge of specific circumstance that is so important to environmental problem solving. It is the sort of knowledge accumulated by a rancher I learned about last summer who had a problem with coyotes attacking his calves. The rancher, at first, was

tempted to eliminate the coyotes that threatened his livelihood. But through his deep knowledge of his lands and his cow operation, he figured he could shift his calving season a couple months later in the season to early spring instead of late winter. By doing so, the calves would be born at a time when the coyotes would have plenty of other sources of food. They would, thus, be less tempted to seek out his calves. Through his knowledge of circumstance, the rancher reduced the conflict between an environmental goal—keeping the coyotes in their natural habitat—and the well-being of his family made possible through his ranching.

Cooperative conservation is not new, but it is gaining momentum. Let's take up our virtual journey again. This time, let's go to the Malpai Borderland in Arizona and New Mexico where private landowners are actively orchestrating conservation by using grass banks and privately—not publicly—held conservation easements. I traveled to the Malpai, where I met several ranchers. In this beautiful, but harsh, dry land, ranchers make their livelihood in a constant delicate dance with the vagaries of Nature. Warner Glenn, one of these ranchers, stands six-feet six and wirey. At 66 years old, he still walks and rides up and down rugged mountains. With his neighbors, he has a vision—a vision of keeping the open, ranching landscapes. Together, Warner Glenn and his neighbors have worked with scientists, conservation groups, and others in the community to create grass banks that allow forage to grow and allow conservation efforts to unfold. The grass banks nurture conservation goals; they also provide a safety valve of forage during drought.

Next, let's visit Muddy Creek, Wyoming, where 35 partners—ranchers, miners, a local conservation district, federal agents, environmentalists, and others—are working together to manage 500,000 acres. That's one-quarter the size of Yellowstone National Park. These partners are engaged in protecting streambeds, reducing erosion, eliminating noxious, invasive species, and creating healthier habitats for wildlife. They are accomplishing all this while maintaining local ranching and other economic opportunities on the lands. Their tools are simple. They are installing spring-fed tire tanks to water the cattle so the cattle won't need to go down to the stream banks where they might contribute to erosion and pollution problems. They are using tensile fencing, which keeps cattle within desired areas but lets wildlife roam. They are experimenting with rotation grazing to allow for re-vegetation of grazed areas. In short, citizens with local knowledge are working together through an association to solve their environmental problems. This is a modern version of old "barn raising" among neighbors.

What are we doing to nurture the 4 C's? In the Department's budget, we are shifting away from land acquisition to private stewardship grants to landowners, Tribes, and others. The Department is also finding "legal space" to move beyond the old environmentalism of the 3 P's – prescription, process, and punishment – I mentioned earlier. While it is premature to go into detail, we will soon be announcing new initiatives regarding land management. These initiatives will improve the ability of folks to live on lands and secure their livelihoods while also nurturing investments in stewardship and conservation. The Healthy Forests Initiative is one of the first steps on this journey.

Last fall, I met a Montana farmer. He said his wife calls him a "Next Year Country" man. He's a guy who figures next year it will rain more, or next year there will be no July frost, or next year all things will be set right. I share his Next Year Country optimism. But this optimism is no mere dream. We can glimpse the future in the present evolution of environmental decision-making.

The good news is that Next Year Country is beginning to emerge and the process is already underway. The Secretary's vision is centered on results, not process. It is focused on "bottom up" innovation, not "top down" prescription. It is a vision focused on cooperation – voluntary interactions – not conflict and litigation. We must move beyond the 3 P's toward the 4 C's grounded in a nation of self-motivated private stewards and building upon our long history of private stewardship.

As we approach the first anniversary of the terrible events of September 11, our challenge is to advance this important process. Doing so will require a commitment to the rule of law, temperate discourse, and above all tolerance and respect as we seek points of convergence and opportunities to work together to address challenges of conservation while ensuring economic dynamism and healthy communities. I thank you again for your time.