

2 It's Aldo, Not Teddy

We Americans have had a complex relationship with nature. On the one hand, we have exploited the nation's natural resources by clearing forests, damming rivers, and plowing the prairies. On the other hand, we have had philosophers, conservationists, and politicians from Henry David Thoreau to John Muir to Aldo Leopold to Theodore Roosevelt who have raised our environmental consciousness. The result has been not only a tension between the merits of economic growth versus environmental quality, a topic for chapter 3, but also a debate over which of these environmental leaders has offered the best ideas for resolving such tensions.

Conservative environmentalists in particular have had to overcome a reputation for putting growth before environmental stewardship and for lacking a leader who embodies conservative thinking. As author Jeremy Beer (2003) explains, "You might not know it from the exhibit tables at most conservative gatherings, stacked as they are with explicitly anti-environmental flyers, articles, and books, but America's conservative movement was once intimately linked with conservation." This chapter explores the philosophical foundations for free market environmentalism and conservation.

Many conservatives are quick to declare President Theodore Roosevelt the godfather of conservation, often mistakenly claiming that he established Yellowstone National Park. Although Yellowstone was established in 1872, long before his presidency, Roosevelt did focus the nation's attention on the value of the West's natural resources by expanding the national park system and establishing the U.S. Forest

Service to manage millions of acres of public land withdrawn from private claims. Far from creating a philosophical base for conservative conservation, however, his action firmly ensconced natural resource socialism as a mainstay of environmental management.

More recently, President Richard Nixon has been held up as an example of a Republican president who, due to popular demand, became a conservationist. Nixon created the Environmental Protection Agency and signed laws including the Clean Air Act, the Clean Water Act, the Marine Mammal Protection Act, and the National Environmental Policy Act—some of the nation’s best examples of command-and-control environmentalism.

Environmentalists claim Aldo Leopold as the icon of modern conservation because he called for a heightened environmental consciousness in the form of a “land ethic” to encourage resource stewardship. According to Leopold, if people would learn to “think like a mountain,” they would better understand the complexity of environmental systems and could better conserve them. Of course, because it is difficult to develop such a heightened consciousness, most environmentalists call for interim command-and-control policies to force said consciousness. Hence, Leopold’s land ethic inadvertently became the basis for environmental regulation. Yet, returning to his essay “Thinking Like a Mountain,” he says, “I have lived to see state after state extirpate its wolves” (Leopold 1966, 130), an explicit, thoughtful condemnation of command-and-control wildlife management.¹ Leopold (1945) knew that wolf extirpation was wildlife execution by government. As we shall see, Leopold, who understood the importance of incentives and the role of the private property owner, might be thought of as the first free market environmentalist.

To understand the philosophical foundations of free market environmentalism, one must look back to the late nineteenth and early

1. Statement based on interview with Brent Haglund, president of the Sand County Foundation (June 8, 2007). See also Leopold 1945, “Review of the Wolves of North America.”

twentieth centuries to see the first true push for environmental preservation in the United States. The end of the nineteenth century marked the closing of the frontier, the near extinction of the buffalo, and the disappearance of the passenger pigeon. Land stretching from sea to sea and wildlife numbers in the millions symbolized America's abundant natural resources. Not surprisingly, the end of the frontier and the wholesale reduction of wildlife and its habitat forced people to question nature's boundlessness. Moreover, the Industrial Revolution and the tremendous economic progress it afforded caused people to wonder whether the nation would run out of natural resources. During this same period, economic growth provided people the time and money to demand more environmental amenities such as clean water as well as more commodities such as lumber. Both the concern over scarce resources and the demand for amenities, especially from western lands, manifested themselves in more governmental regulation in the name of conservation.

King Teddy's Bequest

President Theodore Roosevelt (1901–9) is often hailed by environmentalists and conservatives alike as a godfather of conservation. A rancher, big-game hunter, amateur entomologist, and graduate of Harvard, Roosevelt came to the presidency both well schooled and disposed to protect the natural heritage of the nation. He advocated sustainable use of the nation's natural resources, public protection and management of wild game, and the preservation of open spaces. Roosevelt made conservation a central policy issue of his administration, creating national parks, wildlife and bird refuges, the U.S. Forest Service, and the Bureau of Reclamation. He also appointed an Inland Waterways Commission to investigate the condition of the nation's navigable waterways and to recommend measures for their protection and improvement. And, in 1908, he called on state governors to attend the White House Conference on Conservation, now regarded as the official commencement of the national conservation crusade.

Perhaps the greatest legacy of Roosevelt's conservation was his creation of federal management regimes for the nation's natural resources. Resources were to be governed by new land management agencies such as the Forest Service and the Bureau of Reclamation on behalf of the public to achieve the impossible goal of producing "the greatest good for the greatest number."

Roosevelt used this ideological framework in conjunction with the "bully pulpit" of his office to promote his progressive platform. Progressives argued that the economy, society, and government were riddled with inefficiency and that centralized control by experts could identify and fix the problems. Roosevelt and other progressive conservationists such as Gifford Pinchot, the first chief of the U.S. Forest Service, believed that scientifically managing natural resources would enable experts to manage for the masses.

Under this new philosophy, Roosevelt extended the powers of government in general and the executive branch in particular, departing from the laissez-faire policies that underpinned what James Willard Hurst (1956) called "the release of energy" in the nineteenth century. Under the banner of scientific management, much of the West's public land was put under the control of Washington politicians, subordinating local communities and business interests to the federal bureaucracy. During his presidency, Roosevelt set aside 194 million acres (the size of Texas and Louisiana combined).

Federal management is often equated with democratic management, but the latter does not necessarily follow the former. Indeed, naturalist John Muir, patron saint of the Sierra Club and friend of Roosevelt, viewed progressivism as a negative because, in his words, the "greatest number is too often found to be number one" (quoted in Morris 2001, 231).

John Reiger, author of *American Sportsmen and the Origins of Conservation* (2001), points out that people simply accepted the progressive political rhetoric of the early conservation movement as a democratic movement to manage resources for the people instead of for



Udo J. Keppler, 1904. From the New York Public Library. All rights reserved.

“I Rather Like That Imported Affair.”

industrial special interests. Yet conservation began as an effort of the upper class, raising the question of how could conservation be seen as a democratic movement of the people against the elites when the elites started it.

Historian Samuel P. Hays argued that the goals of progressive conservationists often clashed with grass-roots democratic impulses because the majority of people preferred using traditional resources as commodities rather than amenities. Western water users, for example, fearing their established claims would be threatened under Roosevelt’s bureaucratic approach, preferred to present their cases to courts “rather than to permit an administrative determination of rights” that might not be based on the “merits of each individual claim” (Hays 1959, 273). The belief that the federal government was waging war on its citizens was evident in many western papers of the time. The *Steamboat Pilot* (Steamboat Springs, Colo.), for example,

trumpeted, “Very few of the autocratic monarchs of the world would so dare to set aside the will of the people this way” (quoted in Miller 2001, 164). Another Colorado newspaper lambasted Roosevelt’s conservation efforts as “Russian policy,” which was nothing more than “arbitrary and authoritarian rule on the range” (Miller 2001, 164).

Critiques of Roosevelt’s environmental leadership raised several viable questions regarding the true spirit of Roosevelt-style conservation. As stated in *Conservation and the Gospel of Efficiency* (Hays 1959, 275–76):

The first American conservation movement experimented with the application of the new technology to resource management. Requiring centralized and coordinated decisions, however, this procedure conflicted with American political institutions which drew their vitality from filling local needs. This conflict between the centralizing tendencies of effective economic organization and the decentralizing forces inherent in a multitude of geographical interests presented problems to challenge even the wisest statesman. The Theodore Roosevelt administration, essentially hostile to the wide distribution of decision-making, grappled with this problem but failed to solve it. Instead of recognizing the paradoxes, which their own approach raised, conservationists choose merely to identify their opposition as “selfish interests.” Yet the conservation movement raised a fundamental question in American life: How can large-scale economic development be effective and at the same time fulfill the desire for significant grass-roots participation?

Roosevelt’s Heir

Expanding on the tradition of progressive-era preservationists, President Richard Nixon (1969–74) outmaneuvered Democrats to become Roosevelt’s heir. Until the 1968 campaign, the environment had not been an issue for Nixon; he was much more comfortable in matters relating to foreign policy. But Nixon was pushed by public opinion to enter the environmental arena. Consider, for example, that an estimated 20 million people participated in the first Earth Day, April

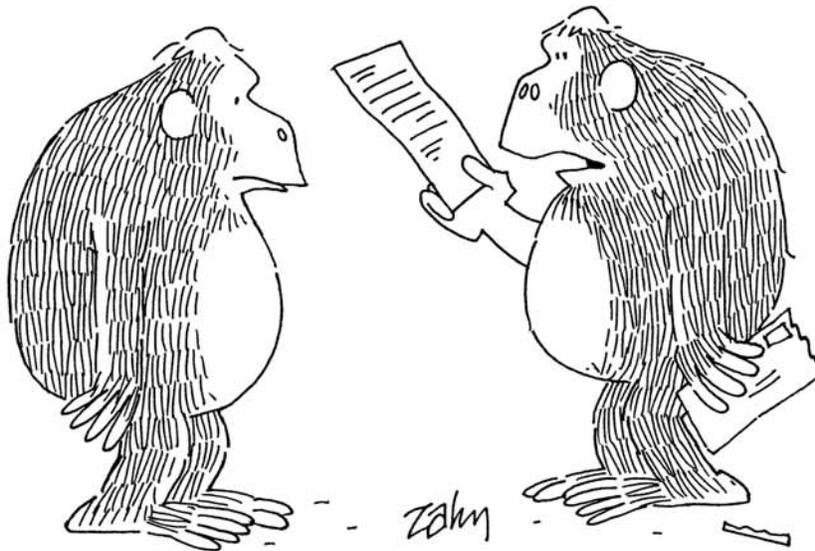
22, 1970—a day representing the emergence of a new environmentalism. These new environmentalists viewed humanity as a threat to the health of the earth and therefore demanded much broader protection for overall environmental quality (Flippen 2000). Nixon, a canny politician, recognized early on that by committing his administration to regulate the environment he could become greener than thou and gain political currency in the process.

Given the political upheaval surrounding Nixon's tenure in the White House, it is easy to overlook his impact on the emerging environmental movement in America. Nixon, in fact, helped build an unprecedented bureaucratic morass, including the National Environmental Policy Act (NEPA), the Clean Air and Clean Water Acts, the Environmental Protection Agency (EPA), and the Endangered Species Act. As he jockeyed for advantage on regulatory legislation, he also signed into law regulations designed to curb pesticide pollution, regulate ocean dumping, and protect coastal zones and marine animals.

Little noticed when passed by Congress in 1969 and signed by Nixon in 1970, NEPA, often referred to as the environmental Magna Carta, has turned out to be the most influential of the many environmental laws enacted in the 1960s and 1970s. The act's requirement that federal agencies prepare environmental impact statements before taking major action transformed government decision making and became a powerful tool for environmentalists to halt, delay, or modify projects they considered harmful.

The problem is that this tool thwarts efficient management. The average length of an environmental impact statement (EIS), for example, is 570 pages (Black 2004). Moreover, once an EIS is created, it can take years to review it. According to Jim Matson with the Forest Resource Council, "NEPA has evolved into a logjam of overwhelming scale and proportions" (quoted in Coulter 2005).

Others point to the prolonged disputes and the wide range of lawsuits over EISs as hampering NEPA's effectiveness. Abigail Kimbell, chief of the Forest Service, spoke at a congressional hearing, testifying,



"It's from the government—we'll have to file an environmental-impact statement before we can evolve."

Bob Zahn/CartoonBank.com. All rights reserved.

"We have 44 projects in some stage of litigation right now. . . . Each time we go through the appeal process or the courts, much of our limited resources are employed to defend the decisions we feel are crucial to restoring ecosystems and addressing forest health concerns" (quoted in Coulter 2005). NEPA lawsuits have been expanded far beyond what Nixon anticipated. For example, in *The Center for Biological Diversity v. United States Department of Housing and Urban Development*, environmental groups sued U.S. authorities for not completing a NEPA analysis before issuing each and every mortgage insurance and loan guarantee (Center for Biological Diversity 2005).

Perhaps NEPA's biggest problem is that it further transformed the environmental landscape away from local management. Under NEPA, outside groups who are not directly affected by a proposed project are often accorded more importance than local interests. The Center for Environmental Quality's review of NEPA (2002) points out that, in many cases, the process is hijacked by well-financed professionals,

such as the Sierra Club, who have NEPA specialists standing by to tackle various local issues. And in some cases locals do not find out about an issue in time to offer input.

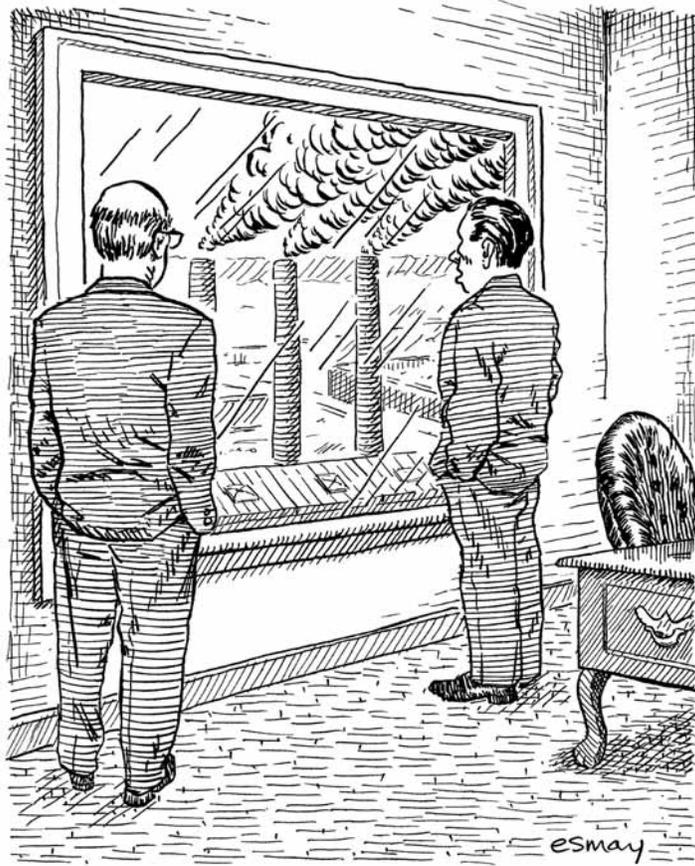
The inefficiencies of Nixon's environmental policies can also be seen in the Clean Air Act Extension of 1970. An amendment of the weaker and less comprehensive 1963 act, the extension requires the EPA to establish regulations to protect the public from hazardous airborne contaminants. Those regulations were created to reduce intrastate pollution but in many cases produced perverse incentives. For example, states approved industrial plants plans to build taller smokestacks that sent pollution over state boundaries instead of reducing or eliminating pollution.²

The extension is hundreds of pages long, and the EPA has written thousands of pages of regulations to comply with its requirements. In the words of environmental policy analyst Joel Schwartz, "EPA regulations and guidance have created a compulsively detailed administrative system that places process and centralized power ahead of results and devotes great resources toward small, expensive, and ineffective pollution reduction measures, while ignoring opportunities for large, cheap, and rapid improvements" (quoted in Lieberman, 2004).

The benefits of complying with Nixon-era regulations are outweighed by the tremendous costs. According to David Schoenbrod, professor of law at New York Law School, "The best estimates are that we could have achieved the present level of environmental quality at a quarter of the direct cost. . . . [T]he current regime of pollution control also creates immense indirect costs, by imposing paper work requirements and by discouraging new plants and innovations" (2000).

Although Roosevelt's and Nixon's intentions may have been good,

2. For more information, see "Environmental Federalism: Thinking Smaller," 1996, by Terry L. Anderson and Peter J. Hill.



"Can't we just dye the smoke green?"

Rob Esmay/CartoonBank.com. All rights reserved.

those early conservation seeds have grown into our current environmental leviathan. Beginning with Roosevelt's presidency and escalating in the 1970s, environmental policy has focused on top-down governmental regulations to solve environmental problems, with little attention to the knowledge and skills of local resource users. As Leopold asked, "At what point will governmental conservation, like the mastodon, become handicapped by its own dimensions?" (1966, 250).

Aldo Knows Best

One of the first to raise concerns over natural resource socialism was Aldo Leopold. In “The Round River” (1966), pointing out what he claimed to be the root problem with progressive conservation, Leopold used the metaphor of government as a meadowlark. Leopold’s bird dog, Gus, when he couldn’t find pheasants, became excited about meadowlarks. This “whipped-up zeal for unsatisfactory substitutes masked the dog’s failure to find the real thing” (186), temporarily calming the dog’s inner frustration. Leopold explained that he did not know which dog in the field caught the first scent of the meadowlark, but he did know that every dog performed an enthusiastic backing-point. The meadowlark symbolized “the idea that if the private landowner won’t practice conservation, let’s build a bureau to do it for him” (186). Like the meadowlark, explains Leopold, this substitute has its good points and often smells like success. The trouble is “it contains no device for preventing good private land from becoming poor public land. There is trouble in the assuagement of honest frustration; it helps us forget we have not yet found a pheasant.” He concluded by cautioning the reader to be leery of the belief that “whatever ails the land, the government will fix it” (187).

Leopold was an employee of the U.S. Forest Service, a professor of game management at the University of Wisconsin, and a lifelong hunter. Considered by many as the father of wilderness conservation, he studied at the Yale University School of Forestry, which was established by Gifford Pinchot—Roosevelt’s first chief of the Forest Service. Leopold initially fell in line with other progressive conservationists but eventually moved beyond this label after his work as a government employee left him with few illusions regarding the limitations of the political process. Leopold came to realize that true environmental protection would be organized around “a conviction of individual responsibility for the health of the land” (quoted in Meine and Knight, 312–13). He believed that those who owned the land were the best stewards because they understood the land’s complexity.

Leopold grew up in Burlington, Iowa, at the turn of the twentieth century, in a culture where private land ownership, free enterprise, and individualism were prized (Freyfogle 1999). His character was shaped around these institutions and values, which remained with him throughout his life. Toward the end of his career, he focused on the ethical obligations of the private owner, yet even as he submitted his land ethic to the public, he wore the hat of the private property owner planting trees at his “shack” in Wisconsin. Leopold, according to environmental scholar Eric Freyfogle (1999, 155), “spoke to no audience more directly than the dispersed and powerful owners of private land.”

Leopold’s realization of the importance of private landowners as stewards and the difficulty of creating a land ethic in governmental bureaucracies paralleled changes in his career and world events. A 1923 article entitled “A Criticism of the Booster Spirit” was a response to Leopold’s stint as secretary of the Albuquerque Chamber of Commerce, in which Leopold harped on the narrow values of rapid growth and quick profits that substituted for the sustainable use of local resources and local culture (Flader and Callicott 1991).

In 1924 Leopold left the Forest Service for four years as an administrator at the “hopelessly utilitarian” Forest Products Laboratory in Madison, Wisconsin (quoted in Flader and Callicott 1991). Searching for ways to make his laboratory research relevant to the public, he wrote “The Home Builder Conserves” (1928), an article filled with efforts that private homeowners could take to conserve wood and reduce unnecessary waste. He resigned in 1928 to concentrate on forestry and game management and, in 1933, joined the faculty of the Department of Agricultural Economics at the University of Wisconsin, where he studied broad social and institutional issues.

There, during the depth of the Great Depression, Leopold increasingly emphasized the importance of personal stewardship of the private landowner. In a major address, “Conservation Economics” (1934), Leopold critiqued the effectiveness of conservation through

public ownership and governmental agencies. He described conservation “experts” as working at cross-purposes and suggested that economic incentives might be used to reward good stewardship by private individuals. Moreover, he claimed that “exclusively governmental conservation is undemocratic in [the] sense that it declines to credit the private citizen with brains, enthusiasm, or public spirit” (Meine and Knight, 162). Finally, in “Land Pathology,” a speech delivered on April 15, 1935, the day after Black Sunday (a devastating dust storm that turned the sky black), Leopold, pointing out that government ownership is remedial rather than preventive, pleaded “for positive and substantial public encouragement, economic and moral, for the land-owner who conserves the public values—economic or esthetic—of which he is the custodian” (1935, 216–17).

Lean and Green

The type of private stewardship that Leopold called for was in place well before the federal government got involved. Examples abound. Indeed, Teddy Roosevelt was a founder, in 1887, of the Boone and Crockett Club, an organization that has been protecting wildlife on private lands for the past 120 years.³ That same year the Beck family established the private Ravenna Park to preserve dwindling Douglas fir stands in Seattle (the park is home to the “Roosevelt Tree,” named after the president visited the preserve).⁴ In 1890 members of the Huron Mountain Club preserved thousands of wooded acres with protective covenants and hired Leopold to advise them on managing what is today one of the most pristine forests on Michigan’s upper peninsula.⁵ Similarly, Grandfather Mountain in North Carolina was

3. For more information on the Boone and Crockett Club, visit www.boone-crockett.org.

4. Visit www.ci.seattle.wa.us/parks/parkspaces/ravenna.htm for more information on Ravenna Park.

5. For detailed information on the Huron Mountain Club, see Anderson and Leal, 1997.

protected by Hugh Macrae, who saw a potential profit in preserving this small wilderness in the late 1800s.⁶ Even Yellowstone National Park can be credited to private efforts by the Northern Pacific Railroad.⁷ Motivated by a quest for passengers, the Northern Pacific lobbied Congress (Runte 1990) to set aside Yellowstone to prevent homesteading and hence an erosion of profit for the railroad if owners of Yellowstone's attractions were to charge admission.

If Leopold was correct—that individuals have the greatest responsibility and incentive to exercise stewardship over their land—then the task is to promote institutional arrangements that enable and encourage grass-roots conservancy. An example is found in 1999, when the U.S. Fish and Wildlife Service proposed creating the Aldo Leopold National Wildlife Refuge. Local Wisconsin farmers opposed the federal refuge, instead wanting to directly oversee conservation efforts and keep the land in private ownership. Working with the Fish and Wildlife Service, they formed the Farming and Conservation Together Committee—a refreshing direction for environmentalism in the twenty-first century (Norton 2003).

Despite such positive results (see additional examples in chapter 5), regulatory environmentalism is on the rise. Caught up in the competition, greener-than-thou policymakers lose sight of the fact that regulatory environmentalism has a less-than-stellar track record. The Endangered Species Act (ESA), for example, has preserved a few species but cost billions of dollars. Since 1989, the first year Congress required a report, the U.S. Fish and Wildlife Service has spent \$9.7 billion enforcing the ESA.⁸ The act was designed to place endangered species on a list and then, through government action, have these species delisted. Forty-one species have been removed from the list since 1973. Of those, nine were removed due to extinction, seventeen, to data error, and three were delisted thanks to the 1972 ban on the

6. For a history of Grandfather Mountain, visit www.grandfather.com.

7. See Anderson and Hill, 2004, pp. 207–8.

8. For expenditure reports, visit www.fws.gov/endangered/pubs/index.html.

overuse of DDT. What effect the ESA has had on those species who remain listed is unclear.⁹

As a result of contrived incentive structures, environmental “improvements” have sometimes created perverse results. The ESA allows the federal government to control private lands where listed species are found (more than 75 percent of endangered species depend on private land for their habitat), creating an incentive for landowners to destroy species and habitat to head off burdensome regulations. In the southeastern United States, for example, the endangered red-cockaded woodpecker has become the enemy of the landowner who cannot cut his trees if the woodpecker is found on his property. Thus timber is cut sooner than it otherwise would be to ensure that woodpeckers don't take up residence. One study found that private timber in the vicinity of abundant woodpecker colonies is harvested at seventeen years of age compared to fifty-seven years of age if there are no colonies in the vicinity (Lueck and Michael 2003). Because natural resource socialism turns woodpeckers into a liability, landowners, like any rational investor, try to minimize them (see figure 4).

In another study, University of Michigan scientists concluded that the 1998 listing of the Preble's Meadow jumping mouse prompted a backlash against the species. Their survey of affected landowners in Colorado and Wyoming discovered a disturbing trend: for every acre of private land managed to help the mouse, an acre was denuded or otherwise altered to drive the mouse away. More than half the respondents said they had not or would not let biologists survey their property, greatly hampering the collection of data needed to help the species. “So far, listing the Preble's under the ESA does not appear to have enhanced its survival prospects on private land,” the researchers reported in the December 2003 issue of *Conservation Biology*. “Our results suggest that landowners' detrimental actions canceled out the efforts of landowners seeking to help the species. As more landowners

9. See Simmons and Frost for more details on accounting for endangered species.

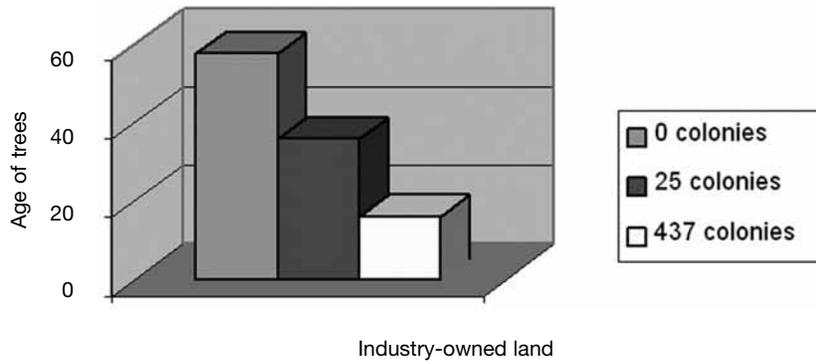


Figure 4. Harvest Age of Trees Compared to Number of Red-Cockaded Woodpecker Colonies

When the endangered bird lives nearby, landowners cut down their trees much sooner. If there are no colonies within a 25-mile radius, the predicted harvest age of trees in the area is fifty-seven years. However, if there are more than 437 woodpecker colonies in the area, the average age for harvesting trees is seventeen years.

Source: Dean Lueck, and Jeffrey A. Michael. "Preemptive Habitat Destruction under the Endangered Species Act." *Journal of Law and Economics* 46, no. 1 (2003): 27–60.

become aware that their land contains Preble's habitat, it is likely that the impact on the species may be negative."

Leopold's Legacy

Leopold was ahead of his time in realizing that incentives are more effective when they come in the form of a market carrot rather than a regulatory stick. "Conservation," he said, "will ultimately boil down to rewarding the private landowner who conserves the public interest" (1934, 202). Writing at a time when New Deal policies were at their zenith, Leopold evinced skepticism that federal conservation programs would achieve their stated aims. As he might have predicted, agricultural subsidies led to more intensive farming using more water, fertilizer, and pesticides—all with adverse environmental consequences—hardly the kind of "rewards" that Leopold had in mind.

Given their New Deal heritage, it is not surprising that Democrats

have embraced regulations and subsidies as the way to direct private interests, but it is surprising that Republicans have followed this track. As Steven Hayward, a scholar at the American Enterprise Institute, points out, “the environment is for conservatives what defense is for liberals: they don’t feel comfortable with it” (“Greening Bush,” 2005, 34). To avoid having the environment be their Achilles’ heel, Republicans have joined the greener-than-thou crusade.

But joining the green crusade is too easy. Conservationists and environmentalists of all political stripes need to find their historical roots that are anchored in substance, not form—in environmental quality, not environmental regulation. They must find ways to harness the same private incentives that drive America’s economic engine to drive the environmental engine, which means rewarding rather than penalizing private stewardship. Aldo Leopold is admired by environmentalists for his “thinking like a mountain”; he should be admired by everyone for his “conservation economics.”

Putting the two together allows us to move beyond greener-than-thou environmental regulation to achieve practical solutions through free market environmentalism. Leopold (1935, 255) said it well: “Conservation means harmony between man and land. When land does well for its owner; and the owner does well by his land; when both end up better by reason of partnership, we have conservation. When one or the other grows poorer, we do not.”