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PERC REPORTS

FOR FREE MARKET ENVIRONMENTALISM

Turning the tide for forests

Clearing the air

The bear necessities

Let's drink to private water

No-regrets carbon policy

Breaking the green gridlock

POLICY



FROM THE EDITOR

BY LAURA E. HUGGINS

PERC REPORTS

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Kermit was right when he croaked, “It’s not easy being green.” He is lucky he isn’t playing in the environmental arena today or he would find that being green is even harder than he thought. Why? Because green is in. Politicians, even the red ones, are jockeying to make Kermit pale by comparison. But beware of the green façade. Current environmental policy proposals often amount to nothing more than applying red tape to green problems.

The key contributors to this special policy issue have been in the political and environmental field long enough to offer leading insight into what it takes to lift the shiny veneer and expose real issues in hopes of turning environmental problems into assets.

*Chief emeritus of the U.S. Forest Service, **JACK WARD THOMAS**, demonstrates that an overhaul of laws and mandates for the nation’s forests is overdue and offers no-bull solutions to remedy the situation.*

*Turning to the skies, understanding the data on air pollution in America must be the first step toward formulating sound policies according to policy expert **JOEL SCHWARTZ**. He also looks at refreshing ways to topple political hurdles that often block the way to cleaning up the air we breathe.*

*Devoted environmentalist **HANK FISCHER** bears down on problems with endangered species restoration in the past and uses the reintroduction of the grizzly bear to Montana and Idaho’s Selway-Bitterroot Wilderness area as a model of how a citizen management approach presents a better path to species recovery.*

***G. TRACY MEHAN**, who worked as an administrator for water at the U.S. Environmental Protection Agency, explores why one of the most free market nations in the world still receives its water and wastewater services from the government and whether privately owned water companies could do the job cheaper and more efficiently.*

*Free market guru **BRUCE YANDLE**’s article serves as a beacon in the climate change fog by offering a no-regrets outcome to reduce carbon emissions and create long-term economic benefits around the globe.*

*Green policy wonk, **SARAH ANDERSON**, sums up this special issue by offering real recommendations for change. Yes, environmental solutions can be implemented—with the right strategies.*

*Finally, you may have noticed our cover and features got a face lift. Special thanks to our fabulous design duo of **MANDY-SCOTT BACHELIER** and **DAVID ROECKER**.*

Let’s cut the red tape and get on with creating evergreen environmental policies that actually lead to on-the-ground improvements.

Laura E. Huggins

Laura E. Huggins | EDITOR

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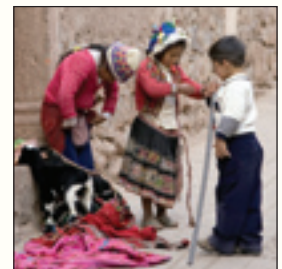
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WHAT BETTER WAY TO GO?

Some years ago I had the idea that the people who lived on our block in Madison, WI, ought to buy the vacant lot at the end of the street and use it as a burial ground for people who lived (and, especially, died) on the block. Since I had a special interest in environmental restoration, I thought that, rather than the usual clipped grass and headstones, we could maintain this vest-pocket cemetery as a showplace for native vegetation, and also perhaps as a place for kids to mess around. I thought this memento mori would be good for us all—an example of the befriending of death Joe Sehee mentioned in his article “Green Burial: It’s Only Natural” [Winter 07].

I thought this was a great idea, but the people I mentioned it to thought it was a bit odd, and for that and a number of other reasons, I never actually did anything about it.

But now Joe and his colleagues really are doing it. And better than that, they have made the brilliant connection between burial and conservation: use the income from the burial to support acquisition, restoration, and management of the land.

Wow! Suddenly an event in the life of each one of us that was taking over the world bit by bit, turning it over to bluegrass and tombstones, becomes a way of expanding and upgrading our preserves, creating space and habitat for other species, and at the same time populating these places with the ghosts of our ancestors.

*William R. Jordan III
Director, the New Academy for Nature and Culture*

LEARNING FROM ENVIROPRENEURS

I appreciated the special *PERC Reports* issue sent out recently. The article on Central Park will be something I think about when I visit that park this August. I believe that may be a way for many urban spaces to be rejuvenated in the future.

The lake logging article brought back a “flood of memories” because I took my Geography 12 class to that site in the early 1990s to view an active harvesting operation as well as a logging road being “de-commissioned.” Our group saw the barge-like unit operating but your article filled in the specifics about the process and the economics of such a venture. Frankly, I had not heard much of this type of logging since then so it was good to see it is a going concern.

Lastly, I actually used the “Dams—Cost vs. Benefits” article on my mid-exam last week, as in British Columbia there is presently a debate heating up over the need for another look at “Site C,” which is a proposal to build a massive hydro-power development on the Peace River (750 km northeast of Victoria, B.C.). The province built the first dam in Hudson Hope in the early 1980s and the downstream impact has been significant in our neighboring province of Alberta. The Mackenzie delta has seen the muskrat and fish populations decline and wetlands diminish.

Your article made my students understand we do not just do one thing when we develop sites for economic purposes. There are unintended consequences which need to be taken into account to ensure the development is sustainable.

The Alberta Oil Sands are being developed just 200 km south of that delta (\$90 billion worth of plants are being constructed as you read this!) and the main issues arising out of the extraction processes there are the huge amounts of fresh water utilized in separating the viscous bitumen from the sand and the toxicity of the settling ponds needed afterwards. You may want to consider an article on that topic in the near future.

Thanks for producing your excellent magazine—I always look forward to it in my snail mail.

Gregor Campbell, Victoria, BC



Tell me what you think!

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GREENING THE CANDIDATES

As the presidential campaigns wear on, candidates vie to show their differences on issues most important to voters. At the moment, the war in Iraq and the economy occupy the most attention, with health care, terrorism, and immigration grabbing their fair share. Farther down the list is global warming, followed by other environmental issues.

Though environmental issues are not their highest priority, candidates are already finding opportunities to strut their green colors—each hoping to appear a darker shade of green than their opponents. Whether Democrat or Republican, most candidates go green by advocating stricter controls on carbon emissions, greater energy efficiency to reduce fossil fuel consumption, reduced dependence on Middle Eastern oil, and, in general, more regulations from Washington bureaucracies.

Green strutting aside, however, none of the primary candidates is likely to get down to the nitty-gritty of proposing environmental policies that could actually make a difference in environmental quality and capture the common-sense environmental voter. Only when the field is narrowed to two or three candidates can we expect White House seekers to begin refining their policies on more and more issues, including the environment.

Candidate Bush did this in the 2000 election by appointing a team to advise him on the environment. The team included Gale Norton (later appointed secretary of interior), Lynn Scarlet (later appointed acting secretary of interior), Robert Nelson (an economist with the Department of Interior's Office of Policy Analysis, spanning administrations from Reagan to Bush), and many others, including myself, familiar with free market environmentalism.

When the team first met with Governor Bush, all were excited about the prospect of actually making real changes in environmental policies. Though some of the proposals diverged significantly from the status quo, for example, allowing grazing permit holders to sell their permits to environmental groups for non-grazing uses, none were so bold as to call for privatization of federal lands or major reform of the Endangered Species Act.

Few proposals from this team saw the light of day. It was politics as usual as the Bush White House tried to swing the environmental pendulum back from the perceived environmental extremism of the Clinton administration. Whether the pendulum swung very far in either administration is questionable, but it is clear from both that environmental policy has not been spared from the gridlock that epitomizes Washington.

Believing that there are many environmental policy options that can break the gridlock and go beyond traditional party lines, PERC convened its 2008 Lone Mountain Summit with the aim of

Lone Mountain Summit participants



“finding ways that work,” to use the motto of Environmental Defense. Summiteers included policy analysts steeped in the traditions of free market environmentalism—Bruce Yandle, Clemson University; Robert Nelson, University of Maryland; and Donald Leal, PERC; policy analysts not so attached to free market environmentalism—Daniel Kemmis, Center for the Rocky Mountain West; and Roger Sedjo, Resources for the Future; former policy makers from democratic administrations—Jack Ward Thomas, Chief of the U.S. Forest Service; and Bill Yellowtail, regional director of EPA, both under the Clinton administration; policy makers from republican administrations—Tracy Mehan, deputy director of EPA; and Doug Crandall, U.S. Forest Service, both under the Bush administration; and environmentalists—Hank Fischer, National Wildlife Federation; and David Schoenbrod, formerly with Natural Resources Defense Council and now law professor at New York Law School.

We began our meeting by agreeing on some free market principles to guide non-partisan policies. Among the principles were ideas such as property rights make the environment an asset and therefore encourage stewardship; markets force people to face up to costs of resource use and encourage efficiency; and devolution to more local levels of government encourages conflict resolution and more rational consideration of tradeoffs.

Summiteers had no trouble finding abundant examples of how these principles could be applied. Millions of acres of public lands have become a fiscal and environmental liability when they should be an asset. Water is cheaper than dirt for most users thus encouraging them to treat it accordingly. And because water delivery is subsidized, the private sector has little incentive to make necessary investments in

infrastructure. Endangered species are a liability to landowners—private and public—and therefore habitat for those species is underprovided. Devolution to more local groups might encourage more careful consideration of the tradeoffs and better land management for species and commodities.

Using these principles, summiteers quickly found consensus for many policies that ought to be in the platforms of all truly green politicians. The articles in this issue of *PERC Reports* consider how the principles of free market environmentalism might yield more common-sense environmental policies. The articles are not exhaustive though there is plenty of literature that could provide additional fodder for an entrepreneurial candidate. (For example, see PERC’s latest book, *Accounting for Mother Nature: Changing Demands for her Bounty* [2008] available from Stanford University Press.)

Regardless of your political color, if you are truly green, you cannot ignore the gridlock that plagues environmental policy or the importance of common sense in giving us a better environment at a much lower cost. The adage that “no one washes a rental car” speaks volumes for environmental reform proposed by candidates claiming to be the harbingers of change. If they are serious about changing environmental policy for the better, then ways must be found to reward people who take care of our natural resources. May common-sense environmental ideas begin to permeate the party platforms and make the environment an asset to be stewarded rather than a liability to be squandered.

In his “On Target” column, PERC’s executive director TERRY L. ANDERSON confronts issues surrounding free market environmentalism. Anderson can be reached at perc@perc.org.

T

URNING THE TIDE FOR
NATIONAL FORESTS

I am a 30-year Forest Service (FS) veteran. I have a love affair with the national forests and want those lands to remain in public ownership. Ongoing developments increasingly threaten that status. The best long-term mechanism to retain public ownership is targeted application of “user pays” concepts.

From economic and social standpoints, national forests have changed from an economic asset to an increasing liability. Why?

LIABILITY LIMBO

Timber sale revenues, long the FS’s “cash cow,” have declined by more than 80 percent since the 1990s. Sales are ever more costly to prepare and execute due to impact analyses, consideration of alternatives, appeals, legal challenges, and decreased demand for domestically produced wood due to imports. In addition, the FS is extracting less valuable wood as it has shifted from cutting mature trees for lumber to thinning less valuable trees to reduce the risk of wildfires. This has led to massive mill closures. And most large timber companies are now in the business of selling their land rather than harvesting trees.

Laws affecting national forest management have departed from an emphasis on sustainable production of timber, grazing, and other outputs that provided revenues to offset management costs. Previously, resource production provided revenues under laws such as the Organic Administration Act (1897), Transfer Act (1905), Knutson-Vandenberg Act (1930), and Multiple-Use Sustained-Yield Act (1960).

Beginning with the Wilderness Act in 1964 and Endangered Species Act in 1973, new legislation gave priority to land preservation in relatively pristine condition and preservation of threatened or endangered species (and ecosystems upon which they depend). Political direction placed the brunt of compliance on national forests with severe negative impacts on timber and grazing programs.

Other laws such as the National Environmental Policy Act (1969) and the Forest and Rangeland Renewable Resources Act (1974) called for detailed analysis of proposed management actions and periodic planning at significant continuing costs. The Equal Access to Justice Act (1980) provided tools for the rising “environmental movement” to challenge FS decisions in Federal Court. When plaintiffs prevail, they are awarded costs. When plaintiffs lose, there is no liability—regardless of costs imposed on the government. This facilitated legal challenges that were expensive in time and money, even when the FS prevailed in the significant majority of cases.

THE NEVER-ENDING CYCLE

A vicious cycle of increasing costs, time delays, and inability to carry out management actions rendered it impossible to sustain predicted outputs. Yet, there were no significant shortages of wood as cheaper imports from foreign producers—who were free of procedural and environmental constraints and had much lower labor costs—filled the gap. The result was a simultaneous exportation of jobs and dollars related to growing, harvesting, processing, and distributing domestic wood products.

At the same time, leasing of grazing privileges became less economically rational. Universal fees were set by Congress (below market value and oblivious to the quality of grazing) and have not increased relative to inflation. As a result, fees do not cover costs. Politicians set the fees, not the competition for available grazing.

ZEROING IN ON WILDFIRE

A witch’s brew, one hundred years in the making, has made the FS’s primary focus wildfire—its prevention, control, and management. Significant attention to wildfire prevention and suppression began with massive fires in 1910. These efforts were largely successful and generally applauded. The aim was protection of watersheds and trees until they could be harvested—a rational objective at the time. Timber harvests were, due to persistent lack of appropriations, inadequately followed up with management of developing stands. The result was a plethora of overstocked stands prone to catastrophic fires. In other words, changes in policy that deemphasized timber production and failure to provide funds for stand management produced a situation that now makes wildfire containment less rational.

In addition, warming trends have led to drier conditions and longer fire seasons. This, combined with increased fuel loadings, produces hotter fires over larger areas and results in increased environmental problems. Costs associated with fire-related management efforts have exploded to nearly 50 percent of a steadily decreasing budget at the expense of other programs.

Governmental organizations and programs exist to meet perceived needs and are politically sustained by constituencies both inside and outside government. The primary supporters for national forests were the timber industry and states and counties that profited from increased employment, payments, and tax revenues—which collapsed with the dramatic decline of the timber program. Potential constituencies related to recreation, fish and wildlife, and

BY JACK WARD THOMAS

N

ational forests have become an ever heavier economic and political albatross in the eyes of many.



water, in large part, chose to remain adversaries rather than morph into supporters. They won the conflict over the management focus of the national forests but have yet to come to grips with consequences of their victory. Many wander the old battlefields bayoneting the wounded. As a result national forests have become an ever heavier economic and political albatross in the eyes of many.

Nationally, we must face up to long-ignored economic problems such as exploding health care costs, looming insolvency in Social Security, a depleted military capability, spiraling balance of trade deficits, burgeoning national debt, and many other problems. Addressing such problems will cost dearly, while politicians run-

ning for President promise tax cuts. As a result, there will be increased pressures to shed federal liabilities—or to turn liabilities into assets; national forests will not escape scrutiny.

National Forests could be transferred to the states for management under state laws—usually producing revenues for schools. Such management of state-owned forest lands has been, on the whole, successful and relatively non-controversial. Alternatively, lands with high timber value and low recreation value could be sold gradually into private ownership. Such lands would go on local tax roles and increase steadily in value. This would simultaneously eliminate federal payments to counties in lieu of taxes and subsidies

to former timber-dependent communities impacted by the collapse of the FS timber program. High elevation lands, less productive for timber production and grazing, could be added to the system of national parks that charge entry and user fees and have effective streams of funding.

Such transfers seem likely to have long-term positive impacts on the overall economy. These lands would be subject to changes in ownership and use in the ongoing search for their “highest and best use” related to economic value.

Or, the national forests could be retained in federal ownership and managed to capture revenue from currently “free” uses. National forests provide more recreational use than national parks. Yet, except for user fees from developed campsites, the FS captures no revenue from users. Those users impose significant and growing costs for management, not to mention adverse environmental impacts. Such uses—and their impacts—will only increase along with the population.

As the lands of former timber companies are subdivided and sold (and then further subdivided and resold), “No Trespassing” signs will blossom. National forests will become more important as reservoirs of fish and wildlife habitat—and will be among the last places where the public can interact with wildlife. As the demand for these areas increases, hunters and fishers and other wildlife aficionados will increasingly look to the national forests for more management, but more management equates to higher costs to the agency.

Those who roam forests, woods, and backcountry—whether on foot, horseback, trail bikes, four-wheeled vehicles, snowmobiles, or all-terrain vehicles—will find themselves more and more limited to national forests. Costs for regulating use, monitoring conditions, enforcing laws and regulations, providing facilities, and dealing with environmental impacts go hand-in-hand with increased use. Simultaneously, resources to deal with such use are declining. Why?

Simply, these activities produce no revenue. As a minor percentage of the overall population, users enjoy, and expect to continue to enjoy, their “free lunch.”

USER FEES ARE A GOOD BET

For those who want to retain national forests in public ownership, user fees are a good bet. There could be a general, public land-use stamp, good for all public lands, with revenues distributed to federal land management agencies via information derived from user surveys. Additional fees could be charged for recreational uses that are “consumptive,” such as hunting and fishing, or ones that have “significant environmental impacts,” such as motorized recreational vehicles and use of horses.

Policy Push—National Forests

“USER PAYS” CONCEPT

National forests provide more recreational use than national parks but capture virtually no revenue from users who impose significant management costs. The best long-term mechanism to preserve public forests is a targeted application of “user pays” concepts.

Forest Service operations are more expensive, complex, and time consuming than necessary. This is the result of confounding and overlapping laws, mixed messages from a series of Administrations and Congresses, and continued revisions made necessary by frequent and poorly coordinated court decisions. An overhaul of laws and mandates is overdue. Clearly stated management directions, streamlined management, increased revenues producing enhanced management capabilities, and proactive constituencies could positively alter the outlook for national forests.

Alternatively, selective land disposal would free the federal government of increasing fiscal and political liabilities. This option will become more attractive as corrective action continues to be delayed.



Jack Ward Thomas, Ph.D., is Chief Emeritus of the U.S. Forest Service and Professor Emeritus of the College of Forestry and Natural Resources, University of Montana.

CLEARING



THE EPA SETS NATIONAL AIR POLLUTION STANDARDS, SO THE AGENCY, IN EFFECT, DECIDES WHEN ITS OWN JOB IS FINISHED. NATURALLY, IT NEVER WILL BE.

THE AIR



BY JOEL SCHWARTZ

THE UNITED STATES HAS ACHIEVED STRIKING IMPROVEMENTS IN AIR QUALITY DURING THE LAST FEW DECADES. BETWEEN 1980 AND 2006:

- ❖ fine particulate levels declined 42%;
- ❖ oxides of nitrogen decreased 41%;
- ❖ sulfur dioxide dropped 66%
- ❖ peak ozone levels fell 30%;
- ❖ carbon monoxide diminished 75%, and
- ❖ airborne lead has been virtually eliminated—plummeting 96%.

These improvements are even more extraordinary considering that they occurred at the same time that power plants increased coal consumption more than 60 percent and the amount of driving nearly doubled. Technology—in the form of cleaner cars, cleaner power plants, cleaner paints, cleaner everything—has won the battle for clean air, even with burgeoning economic activity.

So what's the problem? The public's interest is in clean-enough air, achieved at the least possible cost. But the Clean Air Act (CAA) regulatory system is mainly about process, rather than results. The CAA and Environmental Protection Agency (EPA) regulations to implement it have created large administrative burdens, economic distortions, and perverse incentives—all of which impose costs on Americans that far exceed what is necessary to merely reduce air pollution to safe levels. Furthermore, there is no end in sight, because the CAA endows the EPA with the power to keep expanding its influence. The EPA sets national air pollution standards, so the agency, in effect, decides when its own job is finished. Naturally, it never will be.

Virtually everyone would agree that people have a right to be free from unreasonable risks imposed by others. But federal air pollution regulation goes well beyond this principle, and instead allows special interests—regulators, environmentalists, businesses, and politicians—to gain money, power, and prestige, and advance their ideological goals at the expense of the American people.

CLEARING

THE NEXT PRESIDENT AND CONGRESS WOULD DO WELL BY THE AMERICAN PEOPLE IF THEY PLACED RESPONSIBILITY FOR ENVIRONMENTAL PROTECTION ON ELECTED LEGISLATURES RATHER THAN HIDING BEHIND UNELECTED BUREAUCRATS.



This article suggests a more decentralized, results-focused, and accountable approach to air quality that would guarantee clean air, but with fewer of the harmful side effects of the current system.

THE PROCESS BOX

If Congress wanted states to achieve a given level of air quality, it could simply have dictated to states (1) the standards and the dates by which they would have to be achieved, (2) how compliance would be measured, and (3) the penalties for failure. Given sufficiently large penalties, states would have an incentive to find effective means of meeting their obligations. Such a Clean Air Act could be written on a few pages and would require few federal regulations.

Instead, the CAA spans hundreds of pages and includes exquisitely detailed requirements for everything from the composition of gasoline to the content of permits-to-operate for industrial facilities. The EPA has written thousands of pages of specific regulations to implement the CAA requirements, along with tens of thousands of pages of “guidance documents” to explain what the regulations mean.

States must, in turn, develop their own laws, plans, and regulations to implement the federal requirements, and businesses must obtain permits that specify operating conditions and pollution-control methods, unit by unit and process by process, and which must be amended whenever a process is changed. Legions of lawyers and consultants help regulated businesses figure out what the rules mean and how to comply with them.

The CAA is so focused on process that states can lose their federal highway funding and suffer restrictions on economic development if they fail to win the EPA’s approval of their “State Implementation Plan” for managing air quality. No such sanctions, however, apply if a state fails to actually attain federal air standards by required deadlines. The main penalty for such failure is that the

THE AIR

state merely has to submit a new plan.

The CAA's massive procedural and administrative burdens have little to do with improving air quality, but they impose substantial costs on the businesses, individuals, and government agencies that must carry out their requirements.

Why did federal air regulation get this way? Centralized, administratively complex regulation benefits interest groups—regulators, environmentalists, and businesses—who gain power and profits at taxpayers' and consumers' expense, while the costs are largely hidden from the public. Politicians also gain by passing broad "laws" that appear to deliver benefits without costs, while delegating the real regulatory dirty work to unelected bureaucrats at administrative agencies (Schoenbrod 2000, 2005).

CONFLICTS OF INTEREST

An equally damaging feature of the federal regulatory state is that it has created large bureaucracies with the authority to keep expanding their power. There is no brake built into the system.

The Environmental Protection Agency and state regulators, for public support, depend on a perception that there is still a serious problem to solve. But they are also the ones who decide when their own jobs are finished, because the EPA gets to set the pollution standards and specify the means by which the standards will be achieved. Not surprisingly, no matter how low air pollution goes, the EPA has never declared the air safe and continues to tighten the standards. The EPA is like a company that gets to decide how much of its product people must buy. Congress also charges the EPA with reporting on the costs and benefits of its own regulatory programs—like a company that gets to audit its own books.

Regulators are also major funders of the health research they use to justify tougher air pollution standards. In other words, the EPA funds the research intended to demonstrate the need for the EPA's services. Regulators de-

cide what questions are asked, which scientists are funded to answer them, and how the results are portrayed in official reports. Government-funded scientists sit on the advisory committees that give the EPA "independent" scientific advice. Regulators also provide millions of dollars a year to environmental groups, who then use the money to foment public fear and lobby to increase regulators' powers. The EPA and its allies put great effort into exaggerating air pollution risks and maintaining public fear, despite today's record-low air pollution levels (Schwartz 2006; Schwartz and Hayward 2007).

FOCUSING ON RESULTS

The regulatory system's conflicts of interest and blurred lines of accountability put regulators in the business of fear mongering and empire-building, rather than limiting them to the efficient pursuit of clean air. We can do better by changing our regulatory institutions to focus on results and remove incentives for bureaucratic expansion, risk exaggeration, and administrative complexity. Here is one potential option:

- ✧ Congress, not the EPA, should set ambient air pollution standards that states must attain, along with the deadlines for meeting them and the penalties for failure. States would be able to adopt more stringent standards if they wished.
- ✧ States should be on the hook only for results—that is, meeting the standards by legislated deadlines. All of the current Clean Air Act's planning, permitting, and process requirements should be removed, as should the mandates that require states to implement specific regulatory programs or approaches.
- ✧ The federal government should still be responsible for setting emission limits for a few major air pol-

lution sources with interstate effects such as motor vehicles and power plants. As with the ambient air standards, these requirements should be chosen by Congress, rather than by regulators. Other pollution sources would be under state control and states could also go beyond federal requirements if they desire.

- ❖ The EPA's role would be limited to measuring emissions and air pollution levels and enforcing Congress's emission limits for federally regulated sources.

Putting legislators, rather than regulators, in charge would not be a panacea (Congress has imposed some foolish programs of its own, such as the ethanol mandate), but putting the onus on Congress for setting ambient pollution standards and emission limits would reduce the EPA's ability and incentive to grow its administrative empire. Legislators would have less of a stake in growing the power of the administrative state if they are directly accountable for imposing the requirements (Schoenbrod 2000).

Environmentalists and regulators have created the appearance that the modern administrative state is a good and necessary way to protect public health. Indeed, air quality *has* improved dramatically since the 1970 passage of the modern Clean Air Act. But few realize that air quality improvements were equally dramatic in the decades *before* the Clean Air Act (Goklany 2000). Air quality is not unique in this respect. Water pollution as well as automobile and workplace safety were all improving at about the same rate in the decades before and after the creation of, respectively, the EPA, the National Highway Traffic Safety Administration, and the Occupational Safety and Health Administration.

The key difference is that before the modern era of micromanaging regulation, the government's role was complementary to market forces, evolving gradually, and largely working in concert with people's values and preferences. In contrast, today's federal regulatory system imposes revolutionary institutional changes that override people's preferences, suppress individual initiative and creativity with relentless bureaucracy, and unnecessarily curb freedom. For example, technology, in the form of inherently clean vehicles, has been eliminating air pollution without the need to restrict driving. Nevertheless, activists and regulators have used air quality as the pretext for imposing anti-mobility, anti-suburb policies that have raised housing costs, increased road congestion, and worked against Americans' lifestyle preferences.

The modern administrative state has been unkind to the people it claims to be protecting. The next President and Congress would do well by the American people if they placed responsibility for environmental protection on elected legislatures rather than hiding behind unelected bureaucrats, decentralized authority to the levels of government nearest to the concerns being addressed, and refocused the nation's environmental laws on results rather than process.

Policy Push—Air Pollution

RESULTS MATTER

States should be held accountable only for air quality results and eliminate all process requirements, and place responsibility for setting ambient air standards and emissions limits on elected legislatures, rather than unelected bureaucrats.

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In the spirit of the political season Impressions highlights aspects of the environmental records of the two candidates from each major Party who have the most delegates at press time. PERC is a non-partisan 501-c-3 and does not take a position on any candidate.

Issues				
	John McCain	Mike Huckabee	Hillary Clinton	Barack Obama
Fuel Economy Standards For Automobiles	Supports raising standards but has not set specific target	Supports raising standards to 35 mpg by 2020	Supports raising standards to 40 mpg by 2020	Supports raising standards for cars to 40 mpg and light trucks to 32 mpg by 2020
Renewable Energy; Domestic Energy Development	Supports renewables but has not offered specific plan; opposes development of ANWR	Calls for getting 15% of electricity from alternative energy sources by 2020; Favors opening ANWR but says, "In the long term we need to get off oil altogether"	Calls for 25% of electricity to come from renewables by 2025; opposes development of ANWR	Calls for 25% of electricity to come from renewables by 2025; opposes development of ANWR
Cap & Trade For Greenhouse Gas Emissions	Supports capping emissions from industry and transport at 2004 levels by 2012, then decreasing emissions to 30% of 2004 levels by 2050	Supports cap and trade system but has no specific targets	Supports cap and trade to cut U.S. emissions to 20% of 1990 levels by 2050	Supports cap and trade to cut U.S. emissions to 20% of 1990 levels by 2050
Biofuels	Supports increased use of biofuels but opposes ethanol subsidies	Backs 36 billion gallon biofuels mandate; supports ethanol tariff and biofuels subsidies	Calls for 60 billion gallons of homegrown biofuels to be available for use annually in vehicles by 2030	Calls for 36 billion gallons of biofuels to be available each year by 2022
User Fees on Public Lands	Claimed in letter to Forest Service that user fees amounted to "duplication of fee payments"; supports more federal funding	Unstated; supports user fees in general	Unstated; supports significant expansion of federal funding for national parks/forest protection	Unstated; supports more funding for parks maint.; increase funding for incentives to private land owners to protect/restore land/wetlands
Kelo Decision on Eminent Domain	Vows to counteract decision and may seek constitutional amendment to overturn it	"I doubt I would have vetoed" an Iowa bill that curbs Kelo-type property rights abuses	Unstated; silent on large Atlantic Yards project in Brooklyn that has characteristics that are similar to those of Kelo	Opposed Kelo; does not want gov't to seize private property for "more powerful...businesses and corporations"
Endangered Species	Sponsored legislation to end whaling; sponsored legislation to exempt a forest from ESA provisions	Supports sharing revenue from offshore oil development with states to prevent species from becoming endangered	Supports ESA; claimed we can not "abandon our commitment to species recovery"	Supports ESA goals but should improve; need to "move past rigid ideological positions"



BY HANK FISCHER





Many view the 1995 reintroduction of wolves to Yellowstone National Park as a landmark conservation achievement—one that historians may refer to as the point when Americans changed their attitudes toward large predators. But as a conservation leader who was involved with this issue for more than 15 years, I view it as a poor model for at least three reasons: it took too long, it cost too much, and it left too many people polarized.

Those of us working on species restoration knew we needed to find a better approach, one that got results faster, was less costly, and won broader public support. When the prospective reintroduction of grizzly bears to the Bitterroot ecosystem—the large wilderness complex in central Idaho and western Montana—first surfaced in the mid 1990s, it presented an opportunity.

ACROSS THE SPECTRUM

Just as livestock producers were the alpha opponents of wolf restoration, it was expected that timber interests—people who work in the woods and in the mills—would be the primary opponents of Bitterroot grizzly reintroduction. Instead of launching a campaign to restore bears, conservation leaders from the National Wildlife Federation (NWF) and Defenders of Wildlife (which I worked for at that time) took a different approach: work with timber and labor interests to find a solution that met the needs of both parties. It marked the start of the most interesting chapter of my 30-year conservation career.

The first meeting took place at the NWF office in Missoula, Montana. Four men, all well over 200 pounds with chips on their shoulders, trooped in. None were

smiling. They complained that environmentalists use the Endangered Species Act (ESA) as a tool to stop logging, whether or not it is necessary for protection of a species.

In fairness, we conservationists had chips on our shoulders, too. We had no confidence that these loggers and mill workers had any commitment to protecting bears or to conservation.

But after several meetings and many months, we came to know each other better, and found we had more in common than we realized. Many of us shared interests in fishing, hiking, and hunting; everyone seemed to have a similar connection to the place where we live.

We learned that the loggers/mill workers weren't afraid of bears; they feared the rules that might accompany them. And most importantly, they feared a federal top-down approach to species restoration that might deny local people a voice in management decisions. They asked us to stand in their shoes. If a large, dangerous animal was going to be reintroduced where we lived, worked or recreated, wouldn't we want to have a say in the rules?

The notion that people who live near bears should have a significant voice in their management resonated with everyone. Ultimately, that premise became the cornerstone of a unique accord. Our diverse groups agreed that a committee composed primarily of local citizens (ten citizens and five agency representatives) should have primary management authority for the reintroduced Bitterroot grizzly bear population. This committee would have precisely the same responsibility as federal agencies: Their actions would have to demonstrably result in recovery of the species. The committee was also charged with constructing a management plan that minimized impacts on local people and local economies.





OUTSIDE THE BOX

The “experimental population” provision of the ESA provided the framework that allowed our group to step outside the endangered species box. Congress—with the support of conservationists—passed this amendment in 1982, specifically to encourage restoration of controversial species. Wolves and grizzlies were at the top of the list of animals they had in mind.

The proposed Bitterroot grizzly reintroduction was to be five bears per year for up to five years. A key premise was that the existing habitat was deemed suitable for reintroduction, unless the Citizen Management Committee—guided by the best available science—determined otherwise.

Some environmentalists blasted NWF and Defenders for agreeing that the status quo was sufficient for grizzly bear reintroduction. They argued that without new protections from road-building and logging, bear habitat would be degraded. But our review of the relevant Idaho and Montana forest plans revealed that 3.7 million acres of excellent bear habitat were in designated wilderness, another 4 million acres of habitat were roadless (with direction to remain so), and that due to elk conservation measures, several million more acres were being managed at road densities favorable to bears.

Our evaluation concluded that reintroduced bears would have nearly 8 million acres of secure habitat in the Bitterroot region, substantially more than the bear populations in Yellowstone or northwestern Montana. Leading bear scientists supported our conclusions.

It was déjà vu with Yellowstone wolf reintroduction all over again. When we were on the cusp of wolf reintroduction in 1994, some environmental groups insisted—despite objections from wolf experts—that a successful reintroduction demanded additional habitat and mortality constraints. They even went so far as to file lawsuits to stop the reintroduction (as did the livestock industry). Fortunately their efforts failed, and ten years later our burgeoning Yellowstone wolf population stands as testimony that those scientists were right.

It’s a curious
irony that
a project
grounded in
collaboration
became mired
in partisan
politics.