THE FOREST FOR THE TREES:
THE PACIFIC NORTHWEST LUMBER INDUSTRY
AND ENVIRONMENTAL LEGISLATION,
1965-1976

by

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This thesis examines the response of the Pacific Northwest lumber industry to the environmental movement of the 1960s and 1970s and to the legislation the movement inspired.

The economic fortunes of the Pacific Northwest have been tied to the lumber industry from the time the region was settled. Until the mid-1960s the lumber industry enjoyed unrivalled influence on policies affecting logging practices on public and private lands. The environmental movement was a strong and unexpected opposition to the industry and its practices.

However, the lumber industry mistook changes in the political climate for nothing more than negative public opinion. It was on this problem that the industry repeatedly concentrated, which gave the environmentalists a number of advantages in the political arena. The result was environmental legislation passed at the state and federal levels.

The industry was able to begin swinging the pendulum of political influence back to its side when the United States' economy entered a recession in the early 1970s. Armed with figures on inflation and unemployment the lumber industry attempted to convince Congress and the public that environmental regulation and prosperity were not compatible. Although the industry was never again caught off guard as it was by the environmentalists in the 1960s, it never regained
the level of political influence that it had prior to that decade.

While this thesis concentrates on the general trends of the lumber industry response to events in the late 1960s and early 1970s, the background of the industry and the climate which gave rise to the environmental movement have also been examined.
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INTRODUCTION

The tumultuous decade of the 1960s left a legacy of debate over issues such as civil rights, women's liberation, consumer protection, and environmentalism. Those who sought to change the status quo were able to do so by generating the public awareness and legislative support necessary to initiate the passage of "new social regulation."¹ This legacy is particularly significant when it comes to the environmental movement. A strong environmental lobby was responsible for the creation of environmental legislation between 1960 and 1974. The difference between these environmental laws and earlier legislation was a shift in emphasis from efficient resource use to resource preservation. This new social regulation had serious repercussions in the Pacific Northwest, where the economy was dominated by the lumber industry. The lumber industry was suddenly faced with an unprecedented level of public interest regarding industry practices in the National forests. The environmental movement was highly successful in persuading the public that environmental protection should be a national priority. Those in the industry, however, were not as quick to change their way of thinking; they were unprepared for the onslaught of criticism and subsequent legislation that would alter the way they did business. The debates arising in the

1960s and 1970s signalled an emerging conflict between economic health and environmental preservation. While the recession of the 1970s again gave the industry the upper hand in the forests, the legacy of the environmental movement lingers.

The new regulation was a sharp departure from historical practices. Before examining the pattern of legislation and industry response it is important to examine the structure of the Pacific Northwest lumber industry, its relation to state and federal governments, and the regulatory climate prior to the environmental movement. While there is an extensive body of literature on the history of the lumber industry prior to the 1970s, these sources either leave out or provide only a cursory examination of the industry's response to environmentalism. Current books and articles also provide only a general or economic viewpoint of the industry and the environmental movement. By combining research on lumber industry opinions of environmentalism with current theories of regulation and its role in the United States political system, and a general background of the political and economic climate of the 1960s and 1970s, this paper provides

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an historical rather than an economic or policy driven perspective on industry attitudes in this era.\textsuperscript{3}

The forests of the Pacific Northwest are prized for their immense stands of Douglas fir. Moist climate and fertile soils provide ideal conditions for the growth of a species highly valued for both its size and the durability. Because these trees can reach a height of 200-300 feet, it was the spar trade that introduced business to the giant forests and by the 1880s lumber was the leading industry on the northern west coast. The industry continued to enjoy this position well into the middle of the twentieth century.\textsuperscript{4}

The history of the distribution of forest land in the Pacific Northwest has been complex and inconsistent. Large land grants were given to railroad companies who sold their surplus land to settlers or lumber companies. Land was also granted to settlers under the Homestead Act. The federal government also granted tracts of land to state and county governments. States in the Northwest also acquired a great

\textsuperscript{3}This paper is not intended to be a comprehensive history of the industry after 1960 or of any particular regulation. It examines a general industry response to environmentalism within a larger political and economic climate. In order to accomplish this, I used only a few examples of regulation and legislation that stand out as indicators of the changing regulatory and political climate.

deal of land from lumber companies who bought the land from
the federal government, harvested all of the trees on that
land and then allowed it to revert to the state by not paying
taxes on it. Public concern over this "cut and run" tactic
led to the creation of state and federal forest reserves, and
eventually to the national forest system. Tax breaks were
given to industry so that they would remain owners of the
land, rather than abusers of it. Since the mid-1910s the
lumber companies began acquiring land with the intention of
keeping it. By the 1960s there were approximately 70 million
acres of commercial timber in the Pacific Northwest. The
national forests accounted for 45% of this, or 31.5 million
acres, while the Bureau of Land Management and other federal
agencies owned 4.45 million acres. State governments in
Washington, Oregon and California held 5.75 million acres,
and the total of acres owned by individual county governments
was 424,000. The lumber industry accounted for 12.5 million
acres or approximately 18% of the commercial timber supply in
the Pacific Northwest. With 31.5 million acres of prime
timberland, it is easy to see why the lumber industry found
national forests so attractive.5

5Frederick W. Cubbage, Jay O'Laughlin, Charles S.
Bullock III. Forest Resource Policy. (New York: John Wiley
and Sons, Inc., 1993) p.17 and 305; William B. Greely. Forest
151; John Putman, "Timber: How Much Is Enough?" National
Geographic, vol 145, April 1974, p.499; J. Kenneth Pearce,
George Stenzel. Logging and Pulpwood Production, (New York:
Prior to 1960, the Pacific Northwest lumber industry was comprised of many small and large firms that ranged from timber growers to lumber and plywood manufacturers to manufacturers of other wood products such as pulp and paper. The housing boom of the 1950s fostered the growth of small, independent "gyppo" (contract) sawmills and lumber camps. In 1955 one half of lumber production in the Pacific Northwest came from 38,000 small mills. These mills operated on many of the same principles that were used at the turn of the century. They cut trees "rapaciously" in order to stay competitive with the larger companies, in the sort of 'cut and run' tradition that had given the industry its bad name in earlier decades. There was very little regulation at this time; the mills cut what they needed and worried little about the consequences of their actions. By 1960, most of the accessible timber on industry lands was gone and the efficiency of the smaller mills, as compared to the newer, modern mills run by the larger companies, brought about the demise of the gyppo logger. Because the gyppo mills did not


have the resources to bid competitively on public forest lands they either faded away or were absorbed into the larger companies such as Georgia-Pacific or Weyerhaeuser. As the industry entered the 1960s it was becoming more and more an industry run by several larger firms.\textsuperscript{8}

Traditionally the American lumber industry displayed little concern for the forest as its cut and run practices ravaged the land. Industry practices in the Eastern and Southern regions of the United States had disastrous consequences as land was cut over and abandoned by lumber companies. Because of these practices citizens in the 1890s were worried about the depletion of this resource. The emphasis placed on profits left little room for attention to the social costs of eroded soil, cutover land, destroyed watersheds, and communities that were left impoverished by unscrupulous lumber companies.\textsuperscript{9} The tendency of the lumber industry to abuse its forest resources, to 'cut and run,' were not transformed by government intervention so much as by

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\textsuperscript{9}Robbins, Hard Times in Paradise, p.3.
\end{flushright}
the realization that the Pacific Northwest was truly 'the last stand.' In the 1940s the Weyerhaeuser lumber company opened its first tree farm in western Washington, as 'cut and run' was not longer an acceptable means of doing business. The structure of the early forest industry and the manner by which it conducted its business caused three key political concerns to develop within the industry: competitive instability, resource depletion, and community stability.

Historically, the federal government, at the request of the Forest Service, kept its involvement in lumber industry matters to a minimum, leaving forestry management to the Forest Service and state governments. State and federal regulations prior to the 1960s reflected this relationship. Industry leaders sought help from the federal government only when it would help their cause. Such legislation included programs to protect forests from fire and disease and to provide financial and technical assistance to small land owners. Oregon and Washington, afraid that patterns of


deforestation similar to those in the Eastern and Southern regions of the United States would occur in their states, enacted more stringent regulations.\textsuperscript{13}

Despite occasional conflicts over these regulations, the industry enjoyed a great deal of influence at the state level. In part because of the inconsistency of state regulations, the lumber industry found manipulating state governments to be a relatively easy task. State governments had a much greater stake in keeping local industries content and were less constrained by the need to "balance" interests.\textsuperscript{14} The threat of moving to another state if regulations were not eased or enacted to protect the lumber industry was viable, particularly if one considers the

\textit{Forest Resource Management}, p.1; Hamilton, p.6. These acts included the Weeks Act of 1911, which gave the Secretary of Agriculture the power to purchase land and set it aside in the national forests; the Clarke-McNary Act of 1924, which set up federal assistance to state programs for fire protection and the distribution of seedlings in private forests; and the McNary-McSweeney Act of 1928 which set aside funding for Forest Service research and development programs, as well as for a comprehensive national survey of forest resources.

\textsuperscript{13}Clair Wilcox, \textit{Public Policies Toward Business}, revised ed. (Homewood, IL: Richard D. Irwin, Inc., 1960) p.406. These regulations included prohibiting cutting any trees whose trunk was under a certain diameter, ensuring that seed trees were left standing in harvested areas, and mandatory replanting.

traditionally migratory nature of the lumber industry. This threat helped ensure that state regulations were favorable to the industry. The role of the federal government took on greater importance, as I will show, as federal forest land became a more substantial source of lumber.

Congress responded to fears of resource depletion as early as 1897 by passing the Federal Forest Management Act (also known as the Organic Act), to "[i]mprove and protect the forests...for the purpose of securing favorable conditions of water flow and to furnish a continuous supply of timber for the use of citizens of the United States."\(^{15}\)

This marked the beginning of federal intervention in the nation's forest lands. However, the ambiguous and broad language in the Organic Act enabled the various actors involved in forestry to interpret it as they pleased. The majority of them advocated using, rather than preserving, the national forests. In the words of the founding father of the United States Forest Service, Gifford Pinchot: "[t]he prime object of the national forest is use."\(^{16}\)

The agencies in charge of managing the forest lands often interpreted Pinchot's words to benefit the lumber industry. As one industry historian noted, "[f]or a good part


of the history of public forest use in the west, the question was not what the resources should be used for, but who should get the benefits.\(^{17}\) The first instance of more direct federal legislation to answer that question was the 1944 Sustained Yield Act. This act established cooperative units on private and public forest land. The government would specify which forest practices were to be used, and the lumber company would be allowed to harvest the trees on the public land. This act was designed to stabilize the lumber industry, and thus the lumber communities, by eliminating practices that created the characteristic boom and bust cycles of the industry. Both the smaller and larger firms were wary of this act. The larger firms felt that giving the government control over forest practices on private lands was too high a price to pay. The smaller firms were afraid that the larger companies would be granted a virtual monopoly in the national forests, since they had the land and resources to devote to such a plan. Although little came of this act,

the Sustained Yield Act did mark the beginning of a greater degree of federal involvement in forestry matters.\textsuperscript{18}

Both state and federal laws share the pretense of doing what is best for the 'common good.' Historically, however, 'common good' has often been defined by the industries that have enough money and political power to sway legislators.\textsuperscript{19} Government inevitably influences business activity by adopting policies in an attempt to resolve conflicts that cannot be equitably solved by the market. Generally, government policies are designed to make an industry follow a


\textsuperscript{19} Anthony Downs, "An Economic Theory of Political Action," The Journal of Political Economy, 65 (1957): 155-157. Common good is virtually impossible to define, lumber industry perception of common good would certainly not be the same as that of the Sierra Club. Government is often called upon to find common ground that can be designated as common good. Finding a definition of "public interest" is almost as difficult. Where the lumber industry claims that the best public interest is full employment and a strong economy, environmentalists will define their best public interest as old growth forests that are standing 100 years from now. In this paper I most often use the term public interest to represent the views of the environmentalists, as I feel industry interests are quite obvious.
specific course of action that it would not have otherwise pursued. The government acts to stabilize the market, thus creating an equitable arena in which business can compete. Historically, business has asked government to advance its position or to restrain the practices of a competitor. When government attempts to stabilize the market, it may appear to be doing so in order to benefit the consumer however, the goal is to protect business itself. Businessmen are quite conscious of their position and use that knowledge to their advantage by threatening governments with poor performance levels, if certain demands are not met.

Why does regulation seem to be for business rather than of business? In this paper I use three different theories to explain the ability of business to control regulation. From the turn of the century, as Gabriel Kolko and others have suggested, economic regulations have served to ameliorate an industry's own economic problems, not to protect the consumer or citizen. This stems from collusion between government and business which operates on the premise that what is good for the industry is good for the consumer. Charles Lindblom


explains that the market "imprisons" the regulatory process. This is a feature of a political system that seems to create opportunities to translate economic power into political influence. The power of business is reflected in its ability to control growth and investment. Because employment rates, prices, production, growth, standards of living and economic security rest in the hands of business leaders, government officials cannot be indifferent to how business functions. A third theory of regulation is the "capture theory." This school suggests that regulation agencies are established to serve the public interest, but subsequently become tools of the industry they are supposed to regulate.22

The regulatory politics of the 1960s and 1970s display a shift away from business oriented regulation. The presence of environmental groups in the political arena challenged the traditional premises of federal and state regulation and the relationship of government to the business community. The new social regulation was not as concerned with regulating the market as it was with regulating the practices of business to protect the environment, the consumer, and the worker. This

type of regulation differs from the economic regulation of previous decades in that the need for such regulation cannot be eliminated by increasing competition or altering the market. The market failure in this case is not the lack of competition, but "[t]he fact that producers can ignore by-product consequences of their operations." Social regulation was actually regulation of business, rather than for business. Some regulation completely shut business out of the process while it held an industry directly accountable for its practices. At the same time there existed more traditional regulation that business could take advantage of.

The prosperity of the 1960s seemed to expand the boundaries of Lindblom's market imposed prison, making room for several styles of regulation.

Before the 1960s, the term "conservation" was used to indicate the efficient use of resources with the goal being, in the tradition of Pinchot, to enhance corporate profit. In the 1960s fledgling environmental movements began to question industrial and political notions of conservation.

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23 Michael D. Reagan, Regulation: The Politics of Policy, (Boston: Little, Brown & Co, 1987) p.90; David Vogel, "The 'New' Social Regulation," p.178. In the case of the lumber industry such by-products would include watershed damage from logging, the loss of old-growth forests, the loss of plant and animal species within those forests, and pollution from pulp and paper mills.

24 Samuel P. Hays, Conservation and the Gospel of Efficiency: The Progressive Conservation Movement, 1890-1920, (Cambridge,MA: Harvard University Press, 1959). As with other terms in this paper, the notion of conservation has different meanings to different groups. I use conservation in the tradition of Pinchot as defined by Samuel Hays, that is
Memberships in national organizations such as the Sierra Club and Audubon societies swelled as national attention focussed on the issue of environmental deterioration. The public began scrutinizing the operations of industries that had historically been left to their own devices. When Congress began passing environmental legislation, the lumber industry suddenly found the national forests, which had once been almost exclusively their domain, to be hostile and unfamiliar territory.

The issue of forest management practices escalated to national prominence...Accustomed to a silence we [professional foresters] presumed benign, we were ill-prepared to discover that our clear cuts were producing a great deal of public invective and acrimony. There was nothing in our silviculture that could possibly have predicted that, and the profession was stunned, hurt and insulted. Our innocence was abruptly shattered.\(^{25}\)

Despite the historical ability of business to bend the regulatory process to its advantage, the cost of business driven regulation creates tension between business and government. This stems from the amount of control that government tries to exert on business, and business' adverse reaction to these attempts. The initiation of environmental efficient use of resources. When examining environmentalist attitudes I use the term preservation because more often than not the environmentalists felt that conservation as practiced by the US Forest Service and the lumber industry was not saving enough resources for future generations.

regulation greatly exacerbated this relationship because the emphasis was on enforcement of regulations, rather than voluntary compliance.\textsuperscript{26} Industries charged that environmental regulation increased inflation and unemployment, reduced productivity, delayed investment and redirected research and development funds into non-productive outlets.\textsuperscript{27} The federal government was not overly concerned with these charges while the economy was healthy, especially when it seemed the prosperity of the 1950s and 1960s was endless. In a time of recession, however, the financial costs of environmental legislation, whether imagined or real, became unacceptable and with the diminishing priority of environmental protection, fewer laws were enacted. Along with other industries, the lumber industry was able to adapt to existing regulatory controls.\textsuperscript{28}

As the United States entered a recession in 1973, the lumber industry, as did other industries, pointed to environmental regulation as a major source of their fiscal woes.\textsuperscript{29} It seemed for a time that the environmental movement


\textsuperscript{27}Ibid.


had permanently altered the regulatory game, and that the political advantages enjoyed by the lumber industry before 1965 were lost forever. Eventually the lumber industry was able to regain some of its former influence in decision-making in Pacific Northwest forests as politicians attempted to alleviate the recession by softening regulations. However, the industry never again enjoyed the absolute dominance of the forest that it had enjoyed before the environmental movement. A viable and enduring core of opposition had been created to limit the industry's power in the forests.

Economic and demographic change after the second world war threatened the lumber industry's hegemony in the forests of the Pacific Northwest. Post-war prosperity spurred an immense housing boom as the newly affluent left the cities for the suburbs. The intense demand for lumber and the profits reaped from that demand led the timber companies to over cut their land. At the same time, new techniques and equipment allowed the lumber industry to reach previously inaccessible stands of trees. These advances also enabled the industry to harvest the trees faster and in greater numbers. With diminishing stands of trees left on their own lands, the industry turned its saws on the resources in the National Forests. The "[s]hift from a policy of custodial management to one of aggressive timber management" changed the role of the Forest Service from a mere caretaker to an active manager of a profitable resource and placed the agency in the middle of the economy vs. ecology debate.


The post-war trend of rapid urban and suburban growth saw many people in Washington state moving from smaller, rural towns that were dependent on the lumber industry to the cities. The success of the Boeing corporation during the Cold War helped to draw a new population to Seattle and its suburbs.\textsuperscript{32} As the lumber industry was no longer "the only game in town," the state's once homogeneous views on resource use began to fragment, creating a climate which fostered the creation of the new social regulation.\textsuperscript{33} Prosperity expanded the boundaries of Lindblom's market prison, allowing for concerns about environmental health to take precedence over economic health in some sectors of public and political opinion. The mobility and prosperity that led city dwellers into the suburbs also gave them more leisure time, which led to an increased interest in recreation, and therefore, in the national forests.\textsuperscript{34} Widespread use of a resource that had previously been the domain of professional foresters, the


\textsuperscript{33}It is interesting to note that two of the leading environmentalists in Congress were Senator Neuberger from Oregon and Senator Jackson from Washington. Because they are from states whose economies depended heavily on the lumber industry their views on environmentalism signify the changing political priorities.

industry, and a few wilderness lovers brought the public face to face with industry activity on public lands.

The affluence of the 1960s masked many of the initial political changes. Prosperity gave lumber industry leaders a sense of security, a conviction that their hold on the regulatory process was unshakable and unchanging. Because of a long and profitable relationship with politicians and federal foresters in Pacific Northwest national forests, the industry already knew what channels it had to use to get things done. The environmental movement altered these channels before the lumber industry even knew that the movement was there. The industry's initial ignorance of changes in the decision making process can be attributed to the fact that they did not expect any legislation that would adversely affect their interests. Early examples of new social regulation included laws regulating cigarette advertising, Thalidomide, and air pollution; all matters that seemed far removed from the Douglas Fir. These regulations did not directly threaten the economic health of the lumber industry and industry leaders were far too preoccupied with their own affairs to come to the rescue of seemingly unrelated industries.\textsuperscript{35}

\textsuperscript{35}This attitude is a prime example of Kolko's theory of collusion between industry and government agencies.

\textsuperscript{36}David Vogel, \textit{Fluctuating Fortunes: The Political Power of Business in America}, (New York: Basic Books Inc., 1989) pp. 26-33. Other legislation passed in the first half of the 1960s was primarily consumer oriented, including the Federal Meat Inspection Act, Fair Packaging and Labelling Act,
The 1960s were a time of dramatic social and political upheaval in the United States. The anti-war and civil rights movements created a more open society in which previously untouchable institutions could now be challenged and questioned. President John F. Kennedy opened the "New Frontier" by calling on Americans to do all they could to change the quality of life in the United States. President Lyndon Johnson's "Great Society" placed political emphasis on domestic reform, and on environmental concerns. In an address at Michigan State University in 1964, Johnson referred to the Great Society as a "[p]lace where man can renew contact with nature." The same affluence that moved people to the suburbs and gave them cars and recreational vehicles also afforded them the time and luxury to worry about more than basic food and clothing needs. They turned their attention to poverty, civil rights, the escalating war in Southeast Asia, and to the environment.\textsuperscript{37}

Along with social upheaval, the United States experienced an unprecedented period of technological advance and prosperity in the post-war era. The overwhelming optimism that accompanied such progress made it more difficult for Americans to accept that technological advances threatened them as much as helped them. With the publication of Rachel Carson's *Silent Spring* and growing fears of nuclear annihilation (exacerbated by the Cuban Missile Crisis) the public began to see that the American Dream had a dark and potentially deadly side.\(^{38}\)

Environmental movements were not solely driven by threats to the natural environment. Many who joined the cause wanted to fight the increasing influence of big business in politics. Although anti-big business sentiment was not unique to this era in American history, the environmental movement both gained strength from and fostered these feelings in the American public in the late 1960s and early 1970s.\(^{39}\) With the


\(^{39}\)Robert Cameron Mitchell, "From Conservation to Environmental Movement: The Development of Modern Environmental Lobbies," in *Government and Environmental Politics*, p.84; Vogel, "The 'New' Social Regulation," p.175.
transformation of the industry from a number of independent firms, to a limited number of larger, multinational ones in the 1950s and 1960s, the lumber industry became 'big business.' As a guidebook for the lumber industry noted, "[t]he lumber industry is, increasingly, big industry. Big industry is "bad" in terms of popular public opinion." This evolution seemed to give the industry even less credibility.

The first few years of the 1960s saw the lumber industry carrying on with business as usual. Inter-industry and Canadian competition were primary concerns of the American lumber industry at this time. The annual meeting of the National Lumber Manufacturing Association (NLMA) in 1963 was concerned with making recommendations to Congress they hoped would improve the economic health of the industry. Among the proposals were typical demands for the federal government to regulate international competition with a series of tariffs, an amendment to the National Housing Act that would prohibit the use of imported lumber in federally funded housing projects, and a plan to persuade Congress that a proposed new wilderness protection bill was unnecessary. The failure of the NLMA to emphasize the importance of opposing the wilderness protection bill demonstrates that this was not a

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key concern. Because the government had listened to the industry in the past when dealing with resource allocation, lumber industry leaders had little cause to believe that it would not so do again. Their confidence in the traditional relationship between business and government was high and at that time they had no reason to believe that the system was changing.

As the decade progressed, warning signals that the mechanism for political influence was changing became clearer. Yet initially, the industry failed to see the transformation. The passage of the same bill the industry had dismissed, the Wilderness Act of 1964, should have attracted their attention, but it did not do so.\(^{42}\) The Wilderness Act transferred the protection of lands from administrative to legislative prerogative, thus taking the discretion to make decisions regarding whether or not land was to be classified as wilderness away from agencies such as the Forest Service and Bureau of Land Management and giving it to Congress, which was a more accessible forum for the public. The Forest Service had previously been able to make such decisions with very little political or public interference. A major provision of this act was to invite the public to hearings regarding land classification. This was part of a larger trend of citizen environmental movements who "[s]ought

statutory recognition of their role in national forest management."  

When industry leaders did take note of the environmentalists they dismissed them as short-term emotional radicals, rather than considering them as viable political opponents. One example of a missed signal of the changing political climate was a Congressional hearing held in Seattle in February 1966. This hearing was held to gather opinions on a proposal to create a new national park in the North Cascades and to alter the boundaries of the Olympic National Park. The Senate committee chose to initiate hearings prior to the actual drafting of the bill in order to acquire as much input as possible from the citizens of Washington. This procedure represented a shift in both how legislation was initiated, and the role the public was asking to be allowed to play in such decisions. This new legislative


procedure signified the public's growing influence and significance in the legislative process. It was becoming clear that the lumber industry underestimated how vocal the public could and would be. The new social regulation grew out of this public political influence.46

Although the majority of the witnesses who testified before the committee were in favor of the North Cascades Park, they did not present a united front. Some wanted a pristine wilderness area while others favored the development of recreation facilities, such as ski slopes and accommodations. Very few people wrote to the committee to voice their opposition to the adverse economic effects the proposed park might have on the smaller mill towns in the area.47 While the diverse testimony suggested that finding the best use of the forest was going to be even more difficult, the majority of those who spoke at the hearing had the common goal of ensuring that the forest industry would no longer have unlimited influence in the regulatory process.

Pro-industry witnesses expressed more concern with changing the boundaries of the Olympic National Park than with the proposed park in the North Cascades.48 Industry representatives who did speak about the North Cascades park

46 Lien, passim.

47 Summarstrom, p.74.

48 The industry was hoping to convince the committee to narrow the boundaries of the National Park, thus allowing them to harvest more of the timber on the Olympic Peninsula.
used the hearing as a vehicle to plead for economic relief for their area, as they had done many times before. None of the industry leaders seemed to realize just how outnumbered they were, nor how isolated their testimony sounded amidst a chorus of those who wanted to preserve the trees.49

Wayne Gaskins, representing the Western Forest Industries Association, was one of the few who spoke against the proposed park. His concern was that the primary use of the land would be designated as recreational rather than commercial as it had been in the past. Gaskins considered this a direct threat to the economic health of the region. He said that the industry was accustomed to "administrative promulgation", having Forest Service or Bureau of Land Management officials, rather than the legislature, make such decisions.50 All of the legislation concerning forests up until this point in time had purposefully included vague and broad outlines for forest management, with the intent of

49Out of approximately 250 witnesses who spoke at the hearings, ten were pro-industry. Out of almost 1500 letters received by the committee, two were from industry leaders. The lack of concern on the part of the industry may have been due to the industry's habit of chronically under or over-reacting to the general threat of the environmental movement. At this point, the industry was not convinced that any extra effort was needed. It was only when the industry began to realize its power and influence in the political process was threatened that it took action.

allowing the Forest Service to interpret them as they pleased. As the Forest Service had often listened to industry opinion when making administrative decisions, the industry found that these new procedures limited their influence.

As environmental movements continued to grow and exert their influence in the nation's capital, industry leaders in the Pacific Northwest continued to regard these movements as an insignificant threat to industry stability. The biggest problem they perceived was negative public image. Facing growing criticism, the industry acknowledged that they had mismanaged some lands in the past, but pleaded with the public to recognize that they had changed their practices. Taking the offensive in 1967, Weyerhaeuser launched an advertising campaign highlighting the company's policies of "high-yield forestry" and "Forests for the Future."

Charles A. Connaughton, a forester with the U.S. Forest Service, felt that public antagonism came from a lack of understanding that "[f]orest land can be managed without

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51 Newport, "Policies, Programs and the Industry," p.192. One industry leader suggested that rather than attempting to find a substitute for timber, such as limiting the harvest of trees from American forests and supplementing the supply with Canadian timber, that more time should be spent on finding a substitute for wilderness and recreational uses, such as sending American vacationers to Canada.

destroying its utility and appearance." Connaughton's solution was for the industry to "[d]emonstrate with spectacular action and visible results, that we can manage our wild land so that the values of general public interest are protected and enhanced." Another professional forester, H.R. Glascock Jr., also attempted to resurrect the public image of the industry by examining the forester's responsibility to the environment. Glascock acknowledged the increasing attention being paid to the environment and stressed the impact this attention would have on resource demands. He listed in detail the forestry profession's efforts to provide for better environmental quality:

Forestry efforts to combat air, water, and land impairment are abundant. Use of persistent pesticides has been curtailed...efforts have been accelerated to develop biological control of insects to take the place of toxic chemicals. Great effort has gone into better design, construction, and maintenance of skid roads and forest access roads to lessen erosion from logging and other forest uses...

No mention was made of attempting to alter the industry's political practices to accommodate the changes in legislative procedures. Despite obvious changes in the political atmosphere lumber industry leaders chose to continue to

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54 Ibid.
concentrate on improving their public image rather than their lobbying skills.

In 1969, members of the industry held the first annual Forest Industries Public Relations Conference in Seattle in an attempt to address the industry's sagging image.\(^{56}\) While the conference may have been a step in the right direction, few forestry executives bothered to attend.\(^{57}\) James Wallace of the St. Regis paper company saw this absence as an example of the kind of industry indifference that led to the 1964 Wilderness Act and the creation of the North Cascades park.\(^{58}\) This lack of interest was of great concern to the public relations experts present at the conference. Washington lobbyist Jeff Joseph provides a partial explanation for the industry executives' failure to attend the conference. He noted: "Business didn't even want to try to fight against something with a consumer handle on it. They weren't that sophisticated, they weren't that well organized. I think a lot of people were concerned about their image."\(^{59}\) Public relations experts considered this industry-wide apathy to be

\(^{56}\)This conference was hosted by the Society of American Foresters, The Public Relations Society of America, Northwest District, and the Institute of Forest Products at the University of Washington.


\(^{58}\)Wallace, p.103.

\(^{59}\)as quoted in Pertschuk, p.52.
a key contributing factor to the poor opinion of the industry held by the general public.60

Despite the political upheaval and transformation experienced in the 1960s, the industry did not feel too threatened by new developments in the political atmosphere. Industry leaders believed in the strength of the boundaries of the market prison. The sustained prosperity of the 1960s ensured that housing starts were up and international exports were proving to be profitable. Industry confidence led an optimistic public to believe that the lumber industry could sustain its profit margin, while simultaneously protecting the trees and the environment. Thus, the legislation up to this point resulted in few tangible economic effects.

As the industry entered the 1970s the foundation of political change that had been laid in the 1960s was strong enough to support a new wave of environmental legislation that the forest industry could no longer afford to ignore. It would find itself faced with a strong commitment from the government to environmental quality and a growing environmental movement that would soon be large enough to significantly disrupt business cycles in the woods. Michael Pertschuk observes:

While the late sixties and early seventies had seen passage of many new consumer and environmental, civil rights and occupational health laws...the seventies brought home to businesses the impact of regulation implemented

60Ibid.
and enforced. The intended restraints, the costs, the burdens and unintended by-products of regulation.\textsuperscript{61}

These new regulations had significant economic consequences, which would shake the industry out of its ignorance and its apathy.

\textsuperscript{61}Pertschuk, p.52.

The years 1970 and 1971 marked a peak in the political power of environmental activists. In January 1970 President Nixon signed the National Environmental Policy Act (NEPA) into law, and created the Council on Environmental Quality. The January 4, 1971 issue of *Time* magazine named the environment the issue of the year. The publication of books such as *The Environmental Handbook*, *Ecotactics* and *The User's Guide to Protecting the Environment* in 1970 also demonstrate the popularity of environmentalism in public opinion.\(^6^2\)

As this popular cause transformed itself into a political force it became clearer to the lumber industry that the environmental movement was a far more serious threat than had been previously perceived. Because the industry understood neither the ground it was losing in the political process, nor the strength of the force behind the new social regulation, it was not sure how to reverse the damage. The high profile given to environmental matters in the 1970s also made it difficult for the industry to work 'behind the scenes' with the Forest Service as it once had.\(^6^3\) While the extent of the political changes was becoming clear, the action to be taken was not. To the industry, extensive public participation in politics necessitated a better public


image, not the formation of a political force to equal that of the environmentalists. The tactics adopted by the industry in the early 1970s proved to be just as ineffective as its quiescence in the 1960s had been.64

In 1970 the lumber industry saw the environmental lobby defeat a proposed Timber Supply Act that would have raised cutting allocations in the national forests.65 The lumber industry attempted to make their intentions sound less voracious by using a different name for the bill, calling it the National Forest Timber Conservation and Management Act. This thin disguise was rendered worthless as an industry representative bluntly stated that the purpose of the bill was to "tip the balance" of multiple use toward increased timber production. This comment prompted environmental groups to assert that the bill was tantamount to the "rape" of the national forests. Although the bill received full support from the Nixon administration, the House of Representatives refused even to debate it. The New York Times called this an "unusual and humiliating defeat" for the lumber industry.66


As Americans demanded better environmental quality, the lumber industry found itself on the receiving end of public outrage. A large demonstration against Weyerhaeuser employment interviews on the University of Oregon campus in February, 1970 and the first Earth Day in April, 1970 served notice to the industry that the intentions of the environmental movement were quite serious. The negative public opinion generated by the environmentalists confused corporate executives who did not understand how the public could be calling for the demise of a prosperous industry.

One lumber industry leader expressed his frustration with the contradictions being hurled at the industry by the public:

> [p]opular aesthetic concerns are creating increasing pressures to decrease commercial uses of public lands. This occurs at a time when there is a growing need for intensive development of these lands and their resources...the people of this country need, indeed they demand, products which are manufactured from the timber resources these lands contain. Without the productivity emanating from utilization of these raw materials the people of the United States could not afford the

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Conflicting signals given to the industry at this time made finding the proper course of action difficult. The passage of NEPA indicated that the federal government had a serious commitment to defending the environment. Yet to those in the lumber industry, the objectives of NEPA seemed contrary to the 1968 Housing and Urban Development Act, which set a goal of constructing or renovating 26 million homes in ten years. The intent of this act was to provide "a suitable living environment for every American family" and the "...elimination of all substandard housing." Obviously, inexpensive timber would be a key requirement in achieving these goals. The signals sent by the government to the industry were even further muddied when Congress voted against the 1970 Timber Supply Act. By doing so, the legislature refused to expand the lumber industry's access to the national forests.

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70Housing and Urban Development Act of 1968, §1601, 1602.

Faced with the choice of emphasizing either their commitment to the environment or their responsibility to provide inexpensive, quality lumber, industry leaders who testified at Senate hearings on clear-cutting in 1971 chose the latter. Thus, industry representatives found themselves in the position of having to defend to the public practices they felt had been called for by government directives. W.D. Hagenstein, Vice President of the Forest Industries Council, testified that timber sales would have to be increased to 7-8 billion board feet per year in order to meet the goals set by the Housing and Urban Development Act.\textsuperscript{72} Robert Hansberger, CEO and President of the Boise Cascade Timber Company, warned Congress that limiting or eliminating clear-cutting would drive the prices of construction materials sky high as the costs of selective logging would make inexpensive lumber non-existent. A statement by the National Forest Products Association went further by saying that a moratorium on clear-cutting would have a "...tremendous adverse impact on the nation's economy." Not only would the lumber and housing industries be affected by the ban, but secondary industries such as transportation companies, equipment manufacturers and financial institutions would suffer as well.\textsuperscript{73}


\textsuperscript{73} Statement of Robert Hansberger, p.28; Statement of the National Forest Products Association, p.229, Clear Cutting
The industry employed emotional and patriotic appeals along with their defensive testimony. Lowry Wyatt, President of the National Forest Products Association, told the committee that timber resource management by professional foresters has been, "a bulwark of this American resource heritage." George Staebler of Weyerhaeuser urged the panel to reject a moratorium because clear-cutting was such an effective means of production:

Efficient production is the genius of American industry and has great social benefits. Efficient production has made it possible for the working man to own an automobile; for every home to have a television, and probably more than anything else, for a man to feed himself and his family on 18% of his income.

Staebler was not alone in emphasizing the severe economic effect a ban on clear-cutting would have on the industry, and all of those dependent on it. This tactic was used by many other industry insiders who hoped the threat of a stagnant Practices on National Timberlands, Hearings Before the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs (U.S. Government Printing Office, 1971). These arguments are an example of a typical defensive response by an industry. Industry leaders were quick to remind legislators of the connection between regulation and threats to the economic health of an industry.

74 Statement of Lowry Wyatt, Clear Cutting Practices on National Timberlands, Hearings Before the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs, p.197.

75 Statement of George Staebler, Clear Cutting Practices on National Timberlands, Hearings Before the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs, p.215.
economy would give them an advantage unavailable to environmentalists.\textsuperscript{76}

When the focus of the political process shifted from Capitol Hill to the courts, the lumber industry was once again caught off guard. The environmental movement was able to make considerable legal headway before many industries had thought to retain attorneys who understood the National Environmental Policy Act and other environmental legislation.

Management practices of federal agencies which allow or disallow use of public resources were once considered to be discretionary actions immune to judicial review. Unless arbitrary or capricious action were taken, the courts would not substitute their judgment for that of an administrator. Today the immunity of federal agencies is being consistently breached.\textsuperscript{77}

The challenges made to comprehensive Federal statutes allowed the environmental movement to eliminate the previously costly and time consuming state by state battles. Where in the past environmentalists hoping to halt a certain action would have had to challenge a state law, possibly bringing suits in several state courts, a federal law could be challenged in one case and then applied to actions in all states.\textsuperscript{78}

\textsuperscript{76}See also: U.S. Senate, Timber Supply Act Hearings Before the Subcommittee on Soil Conservation and Forestry of the Committee on Agriculture and Forestry; October 21, 1969. Testimony of Loran Stewart, pp.25-26; W.D. Hagenstein, p.114; George Craig, p.127.


The clause most often invoked in these suits was section 102 of NEPA. As David Vogel notes, the significance of section 102 was not initially clear, but that the environmental movements used this section to make litigation a powerful weapon against industry and government in the environmental battle. NEPA and other federal statutes gave environmentalists the opportunity to file class action suits against offending industries or against the government itself at the same time the courts were expanding their definition of standing to sue. The courts began granting standing to anyone bringing a civil suit to protect natural resources against degradation.

The 1970s also saw the rise of public interest law firms willing to sue the government, an industry or an individual in the name of the environment. Environmental litigation focussed public and government attention on problems that had

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79 Section 102(2)C of NEPA requires a federal agency to file an Environmental Impact Statement for every project using federal funding that could have an effect on its surroundings, such as a nuclear power plant or a new highway.

80 Vogel, Fluctuating Fortunes, p.65, 108.

81 Marion Clawson, The Forests: For Whom and For What? (Baltimore: Johns Hopkins University Press, 1975) p.392; Schoenbaum, p.190; Scheffer, p.132-133. An example of the extent to which the definition of standing was expanded was a suit filed in the name of Palila, a small, endangered Hawaiian bird. The courts allowed the Sierra Club to file the suit on the bird's behalf.

82 Mater, p.15. For example the Natural Resources Defense Fund or Ralph Nader's Public Citizen Litigation groups.
previously been neglected, examined decisions made in the regulatory procedure, checked arbitrary administrative decisions and often delayed industry or government action until legislation addressing that problem was passed. By March 1973, 363 lawsuits based on infractions of NEPA by federal agencies had been brought to court.63 Despite lawsuits, legislation, and other evidence that the political process had changed, the industry still chose to direct a great deal of attention and resources toward its public relations campaigns rather than using more effective tactics such as lobbying or pre-emptive lawsuits.

One lesson the industry had learned was that the challenge presented by environmental movements was not regional, but national in scope.64 In order to effectively fight, the industry realized the necessity of presenting a united front. The American Forest Institute, an industry supported organization, was chosen to carry out a public education program. Recognizing that "the hour is late" the editor of Forest Industries, Herb Lambert, implored his readers to pull together and to "get out the checkbooks now" and contribute to the fight with the hope that more money for


an industry-wide public relations campaign would give them the means to project a better public image.\textsuperscript{85}

Another public relations tactic employed by the industry was to emphasize the importance of timber exports in helping to shore up the increasing deficit in the balance of payments to other countries. Industry leaders wanted to call attention to the necessity of economic health, and the lumber industry's role in keeping the economy strong. The lumber industry particularly emphasized the importance of importing timber to Japan and to oil rich countries that lacked forest resources.\textsuperscript{86} The industry responded quickly to the claims of environmental groups who charged that allowing lumber exports to continue would destroy forest land more quickly than ever. George Weyerhaeuser was vehement in responding to those who wanted the government to limit or stop the number of trees lumber companies could ship overseas:

Here's our opportunity to do something about that $4-billion trade deficit we have with Japan. This country had been acting fat, dumb, and happy about foreign trade. We allowed our consumers free access to world goods and ignored the need to be competitive. How did we expect to pay for the stuff?\textsuperscript{87}

\textsuperscript{85}Herb Lambert, "Has the Industry Now Won Half the Battle?" \textit{Forest Industries}, (March 1971) p.23.

\textsuperscript{86}Ibid.

Weyerhaeuser implied that cutting exports was intervention that the lumber industry specifically and America in general would not and could not tolerate. The opinions of George Weyerhaeuser and others like him began to hold water as the nation's economy began to falter.

The recession of the mid-1970s demonstrated that as the economic fortunes of the United States changed, so did the prominence given to environmentalism and the strength of social regulation. Without the luxury of prosperity public-interest movements lost a great deal of support and the boundaries of the market imposed prison began receding. The lumber industry had made it clear long before the start of the recession that the value of timber exports and keeping up with the housing boom were not compatible with environmental regulation. This opinion paved the way for a change in the public's attitude when the recession began.

As the issues of job security and economic health gained prominence in the media, Congressional priorities changed as well. The imprisonment of politics by the market may not have been so evident in times of prosperity, but in times of recession the lumber industry gained the opening it needed to begin swinging the pendulum of political influence back to

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its side. This shift was largely the result of the recession rather than because of new tactics employed by the industry.
The oil crisis of 1973 and increasing import imbalances plunged America into a recession that changed the political climate. The confidence in business that came with post-war prosperity evaporated as inflation and unemployment swept through the United States.\textsuperscript{90} As Americans turned their attention away from environmental issues to economic recovery, the business sector capitalized on the country's economic woes: "[t]hey [business leaders] have stated that the cost of meeting these standards for industries ... is simply too burdensome."\textsuperscript{91} As government and public attention focussed on the recession and the attempt to find alternate forms of energy, the forest industry found itself facing significantly less public pressure than it had in the past five years and could therefore reassert its 'economic muscle' by promising to aid the economy if they were given back their political influence.

During the recession, the economic fortunes of the lumber industry were tied to those of the rest of the

\textsuperscript{90}Vogel, \textit{Fluctuating Fortunes}, Chapter Six.

\textsuperscript{91}Statement of Senator William Proxmire, United States Congress. \textit{The Economic Impact of Environmental Regulations. Hearings before the Joint Economics Committee}. (Washington D.C.: U.S. Government Printing Office, 1974). While Senator Proxmire was referring to the energy industry, this statement can be applied to other industries affected by environmental legislation.
country, primarily through the housing industry. Lumber and housing industry leaders berated federal and state agencies for making economic and community stability a low priority when environmentally friendly legislation was being contemplated. With a slump in housing starts, lumber prices fell dramatically. Through 1974 prices plunged from $160 per board feet of Douglas Fir to $100. The economies of timber dependent communities became severely depressed as 1973 saw the closure of twelve plywood mills in Oregon and Washington. The depressed market finished off many of the smaller mills that had survived the 1960s. By 1975 "[v]ery large and fully integrated firms accounted for most of the Douglas Fir lumber production." The industry blamed the government for depressed areas in the Pacific Northwest: "[s]tability of timber-dependent communities had become a superfluous factor in forest regulation circles." During the recession, the lumber industry lashed out at the government,

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citing environmental legislation as the source of their economic woes.\textsuperscript{95}

The recession of the mid-1970s precipitated yet another shift in the forum for environmental debate. As the number of environmental laws passed by Congress declined, administrative agencies became the focal point of the debate for resource use, as most decisions regarding the implementation and enforcement of regulation and legislation were now being formulated in this arena.\textsuperscript{96} The ease with which non-industry participants had gained access to agencies involved in the regulatory process added to the adversarial nature of government-industry relations in the 1970s. Industry became more determined to regain control of a domain that had previously belonged to them.\textsuperscript{97}

The complexity of administrative regulation simultaneously frustrated and satisfied the lumber industry. Superfluous regulatory complexity such as a full page definition of "exit" in an Occupational Health and Safety


Handbook was viewed as ridiculous by the industry. On the other hand, industry insiders had a greater chance of understanding the technical aspects of a regulation than their environmental counterparts. At the same time they cursed it, the industry often sought to increase the complexity of regulatory language, thereby minimizing its effectiveness and simultaneously undermining the success of environmentalists in understanding and challenging them. Thus, while the industry often professed frustration with regulatory language, their expertise gave them an edge over environmentalists who were not as conversant in technical jargon.

The Forest Practices Act (FPA) in the state of Washington provides an example of how the lumber industry, through manipulation and control of the agencies that created and administered environmental legislation, was able to recapture some of its lost control over the regulatory process. The industry achieved its best results by playing state laws against federally drafted legislation. Although Washington had passed a State Environmental Protection Act (SEPA), the industry was more concerned with the Federal

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98 Herb Lambert, "The Road to Hell," p.35.

Water Pollution Control Act (FWPCA) that directly threatened industry practices. The FWPCA gave state governments the authority to control and enforce water pollution, but it was to be overseen by the Environmental Protection Agency.\textsuperscript{100}

In order to most effectively comply with the FWPCA, the state of Washington was considering a Forest Practices Act (FPA) that would legislate regulation of forestry practices on both private and public lands. The forest industry hoped this legislation would be an opportunity to eliminate or at least alleviate strict federal control. The industry felt it had suffered enough under federal environmental legislation, and was not anxious to have stringent controls enacted at the state level. Rather than sit back and watch as state legislators created their own FPA the lumber industry successfully took an active role in drafting the law.\textsuperscript{101} As a result, the lumber industry strongly supported the version of the FPA enacted by the state of Washington in 1975. The

\textsuperscript{100}Bruce C. Grefrath, "The Federal Water Pollution Control Act and Forestry," \textit{Journal of Forestry}, (December 1974) p.758-759. The SEPA enacted by Washington was modeled on the National Environmental Policy Act. This act would affect industry practices at point (pulp and paper mills, sawmills) and non-point (harvested areas and road construction) sources of pollution and erosion.

primary objective of the FPA was to "[a]fford protection to promote, foster and encourage timber growth and require such minimum reforestation...as will reasonably utilize the timber growing capacity of the soil."\textsuperscript{102}

Despite the wording in the FPA to protect a majority of state and federally owned timber from the industry, the Forest Practices Board (FPB), the body overseeing the FPA, was dominated by industry leaders: "The first regulations drawn by the Forest Practices Board to implement the Forest Practices Act clearly demonstrated the control of the industry over this process."\textsuperscript{103} For the first time in almost ten years the industry was able to eliminate the balance between industrial and environmental concerns by exploiting the gap between legislative intent and legislative administration.

While the Washington FPA provides an example that the industry was recapturing regulatory power at the state level, advances were also made at the federal level. One such instance revolved around the 1973 Monongahela decision. A


\textsuperscript{103}Syrdal, p.63-64. For example, the FPB was granted the power to designate that certain forests necessitated "Class IV" forest practices. Class IV practices required, under SEPA, that an environmental impact statement had to be filed before any logging activities could commence in a given area. All other designations were exempt from the EIS process. "...the forest industry was able to define Class IV practices so narrowly that it became essentially exempt from SEPA."
citizen environmental group, the Izaak Walton League, brought suit against the Forest Service for allegedly violating the 1897 Organic Act by allowing clear cutting to take place in the Monongahela National Forest in West Virginia. Judge Robert Maxwell interpreted the words of the Organic Act literally, and imposed a moratorium on clear-cutting in the Monongahela. Maxwell also issued the opinion that the Act was probably "an anachronism," but that it was up to Congress, not the courts, to make the necessary changes.

Afraid that this decision would be applied to other national forests, particularly those in the Pacific Northwest, both the lumber industry and the Forest Service began lobbying for legislation that would invalidate the wording of the Organic Act. Arguing that this decision "ignores more than 75 years of Congressional intent and scientific forestry practices," industry leaders testified before the Subcommittee on Forests of the Committee on Agriculture of the House of Representatives, pp.409-410; Business Week, "The Rising Debate Over Clear-cutting," (October 20, 1975) p.50.

LeMaster, Decade of Change, pp.56-58. Specifically, the group charged that clear-cutting violated the clause that stated: "[f]or the purpose of preserving the living and growing timber and promoting the younger growth on national forests . . .[only the] dead, matured or large growth of trees found upon such national forests as may be compatible with the utilization of forests thereon . . . such timber, before being sold shall be marked and designated, and shall be cut and removed." (Organic Act of 1897). Clear-cutting did not take the time to mark and remove only the trees described above.

that the widespread application of this decision would be disastrous for the industry, and therefore for the nation's economy.\textsuperscript{106} The lumber industry used economic data to persuade legislators that the Act needed to be updated.\textsuperscript{107} In order to render the 1897 Organic Act obsolete, Congress drafted the 1976 National Forest Management Act (NFMA). Congress considered several versions of the NFMA, and ultimately passed the version supported by the industry, not the environmentalists. This version of the act consisted of broad guidelines that were to be translated into regulations by the Forest Service.\textsuperscript{108}

Their successful attempt to invalidate the Organic Act and therefore the Monongahela decision shows that the lumber industry had learned the lesson of presenting a strong, united front. The success of the industry's concerted


\textsuperscript{107}W.D. Hagenstein testified that if the Monongahela decision were applied to Pacific Northwest forests the cost would be a reduction of 1.5 billion board feet in the annual harvest. This would translate into 5,190 jobs lost in Washington and 7,150 in Oregon, which would be a loss $145 million in payroll wages.

lobbying efforts is seen not only in the NFMA, but also in the defeat of a proposed solid waste tax in 1976, the retention and improvement of timber capital gains and federal investment tax savings for forest owners, the modification of pesticide regulation and the development of standards acceptable to the forest industry in the 1977 Clean Water Act. The industry had not enjoyed that kind of influence in over ten years.

While it seemed that the pendulum of political influence had swung back to the side of the industry, it never reached the pinnacle that it once had. An environmentally unfriendly administration and a general trend toward deregulation in the 1980s did much to improve the political position of the lumber industry in the Pacific Northwest. However, the environmental movement did not give up the fight.

CONCLUSION

The prosperity of the postwar decades had instilled in the American public faith in the power of industry. Yet at the same time the destructive nature of technological advances became a highly publicized and politicized issue. Industries that became primary targets for the outrage fueling the environmental movement were unprepared for the political consequences initiated by grass roots movements. The support for environmentalism generated legislation that attempted to hold business responsible for its practices. This was especially true of the lumber companies. Where lumbermen had once been heroes in the Pacific Northwest, the environmental movement turned them into villains. They became "tree-killers" and "rapists," bent on cutting every last acre of national forest. While the industry struggled with this malevolent public image, they ignored the most significant consequence of the environmental movement: changes in the political process.

The legislation inspired by environmentalism changed the nature of the regulatory system in the United States. The new social regulation seemed to break business' tight hold on the regulatory process. Prior to the 1960s the lumber industry was used to regulation that looked after its own interests; for example, protection against fire or disease and restriction on competition. Industry and government initiated such regulation to maintain economic health, and throughout the post-war era the industry felt it could count
on continued government cooperation. The industry's claim that a healthy economy made for happy constituents helped keep politics in the Pacific Northwest imprisoned by the lumber market.

In the 1960s the lumber industry found itself dealing not only with bad public image but with new social regulation as well. The industry was being held accountable for its actions in the forests. The industry had a deep conviction that they knew what was best for the trees and were acting accordingly. It was inconceivable to industry leaders that they would be called to task for their practices. Where it seemed certain the industry should be pursuing aggressive strategies to counter the political influence of environmentalism, they did not. Instead those in the industry chose to believe that the traditional system of regulation would work, just as soon as they cleared up their public relations problem.

Eventually industry leaders accepted that the new social regulation had changed the political and business climate. They began initiating measures to better meet the environmental challenge. At the same time the United States was hit with a recession that had politicians and their constituents worrying less about a forest hundreds of miles away and more about their own economic fortunes. The demise of prosperity seemed to give strength back to the theory of market imprisoning politics as industries began turning the
new social regulation to suit their own purposes. The recession, a general trend toward deregulation in the latter half of the 1970s and policies of the Reagan and Bush administrations in the 1980s to increase cutting allowances in national forests, helped the lumber industry to "recapture" some of its lost advantages in the regulatory system.

Although by the late 1970s it seemed that the industry was again the dominant voice in Pacific Northwest forest policy, it would never again achieve the level of political control it had prior to the 1960s. The attention called to environmental deterioration and the commitment of some United States citizens to prevent that destruction could not be wiped away by the recession. The new social regulation may have lost some of its emphasis during the recession, but the sentiments that supported it do not change. The current debate in the Pacific Northwest over the spotted owl provides an example of the current commitment to protecting the trees.

This situation is an extreme and volatile example of the ecology vs. economy debate. Bob Anderson, a biologist with Weyerhaeuser, believes that the spotted owl is incidental to the real issue, that is protecting old growth forests. Anderson contends that the spotted owl is really a "contrary

\[\text{110I have used the example of the Industry's control over the Washington Forest Practices Act, which was intended to enforce the state's SEPA.}\]
logging issue."111 The industry claims that if the owl is afforded the protection the environmentalists want for the bird over 130,000 jobs will be lost due to the decrease in harvest limits.112 This may curtail industry practices to the point that it is a minor player at best in the economy of the Pacific Northwest. The lumber industry is using the threat of moving its operations to southern states in an attempt to turn the situation around, and many companies have already begun to do so. Over 130 mills have closed in the Pacific Northwest since 1991, while mills in the south are opening at a rapid pace.113

The legacy of environmentalism may be not only the survival of an endangered species, but the demise of an industry as well. However, the blame may lie more with the lumber industry itself than with the owl. Present day journal articles and editorials reflect the chronic refusal of the industry to make the necessary changes in the way they play the regulatory game. The industry's effort to regroup against the environmentalists is far from complete. The industry consistently lacks an appreciation of the degree to which the rules have changed in the regulatory game. Once again


112Blondin, p.40.

the industry appears incredulous that politicians will let the industry suffer for the sake of an owl. It remains to be seen whether or not the structure of the market prison has room for them both.
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