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## Title Info

**Title:** TRIBUTE TO RETIRING R. MAX PETERSON, CHIEF OF FOREST SERVICE, USDA

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## Speakers

**Speaker:** Mr. EMERSON

## Full Text

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. Emerson] is recognized for 30 minutes.

## GENERAL LEAVE

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of this special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. EMERSON. Mr. Speaker, I take this opportunity to pay tribute and express my personal thanks to R. **Max Peterson**, Chief of the Forest Service, USDA, who, on February 2, retired after 37 1/2 years of distinguished public service. He served as Chief of the Forest Service for the last 7 1/2 years, and was the 11th person to hold that position in the agency's 82-year history.

I take particular pride in Mr. **Peterson's** career since he is a native son of Missouri and the district I have the honor to represent. He was born in 1927 near Doniphan, MO, which is the southwest portion of my district. He grew up near the Mark Twain National Forest, developing a love for the land that was to express itself repeatedly throughout his career. After serving with the Naval Air Corps during World War II, he graduated from the University of Missouri in 1949, with a bachelor's degree in civil engineering.

Mr. **Peterson** began his career with the Forest Service on the Plumas National Forest, in California, and during the next 9 years, worked on three different national forests in that State. In 1958, he was awarded a Rockefeller Foundation Fellowship to the Water Resources and Land Use Planning Program at Harvard University, where he earned his master's degree in public administration. He returned to work at the Forest Service's northern region headquarters in Missoula, MT, in 1959. In 1961, he was assigned to the Washington office, where he worked on a variety of administrative and engineering assignments. In 1966, he returned to California as regional engineer. In 1971, he was named Deputy Regional Forester for the 13-State southern region, headquartered at Atlanta, GA. The following year, he was named Regional Forester. In 1974, he returned to Washington as Deputy Chief for Programs and Legislation, and became Chief of the Forest Service on July 1, 1979.

As Chief, Mr. **Peterson** has been responsible for the management of more than 190 million acres of Federal forests and grasslands; a forestry research team of more than 800 scientists; a program of forestry assistance to State and local governments, industry and private landowners; and work and training programs for the unemployed, disadvantaged youth, and older Americans.

In his role as Chief, Mr. **Peterson's** emphasis has been management excellence and public responsiveness. He has sought to bring together divergent interests to share the National Forest System lands, so that all the public -- present and future generations alike -- will benefit from the lands they own. Looking to the future, while recognizing past traditions, the agency recently created a vision statement, crystallized in the phrase "Caring for

recognizing past traditions, the agency recently created a vision statement, crystallized in the phrase "Caring for the land and serving people." His philosophy is that, although America is blessed with abundant natural resources, "it is our challenge and responsibility to insure these resources are used wisely to benefit us not only today, but for generations to come."

Through his leadership and innovation, the Forest Service has been able to serve the American public better and more efficiently, even though faced with budget and personnel reductions. In step with the budgetary times, Mr. **Peterson** established productivity improvement teams to find ways to increase productivity and decrease costs, and administrative review teams to strengthen the agency's administrative activities. The recommendations from these teams have saved and will save taxpayers tens of millions of dollars.

Yet, Mr. **Peterson** always took an intense interest in Forest Service employees and their development and never lost regard for the human elements of management decisions. With advance planning and deliberate management, reductions in personnel and funds were handled with a minimum disruption to employees.

Mr. **Peterson** also saw the need to tap new reserves to get needed resource work done and to provide citizens an opportunity to become involved in conserving their natural resources. He greatly expanded the use of volunteers and other human resource programs.

Mr. **Peterson** has a keen awareness of the value of long-term planning in providing a base for sound natural resource management. As Deputy Chief for Programs and Legislation, before becoming Chief, Mr. **Peterson** was deeply involved in the development of the Forest and Rangeland Renewable Resources Planning Act of 1974, the National Forest Management Act, the Forest and Rangeland Renewable Resources Research Act, and the Cooperative Forestry Assistance Act. Under his leadership and in response to the 1974 act a comprehensive national assessment of the renewable resources on all forest and rangelands in the United States was prepared in 1979 and supplemented in 1984. Renewable resource programs for the Forest Service were presented in 1980 and 1986. The agency also undertook the charter to develop integrated land and resource management plans for each national forest. In a process that fully involved the public and utilized the best planning technology, the agency has completed draft or final plans on over 85 percent of the forests, with the remaining plans currently being developed.

Mr. **Peterson** also worked diligently to resolve a longstanding controversy over roadless areas. Working closely with the Congress and the affected publics, legislation was developed and enacted on a State-by-State basis that designated certain lands as wilderness and released other lands for uses other than wilderness. This congressional review and legislation enactment is nearly complete. I and many of my colleagues participated in this difficult congressional consideration.

Mr. **Peterson** has been a frequent administration witness at hearings and a regular visitor to Members of Congress. He is widely respected for the depth of his resource knowledge and management skills.

In research management, Chief **Peterson** emphasized new developments with practical applications, insisting that the results be marketed as soon after development as possible. He is an international leader in forging a research program to determine the causes and effects of acid rain, and to develop solutions to the worldwide problem. He also led development of a biotechnology program in Forest Service research, a competitive grants program, and greater coordination with universities and other research organizations worldwide.

During Chief **Peterson's** tenure, a number of innovations were developed in State and private programs. Cooperation between State fire organizations and other Federal agencies has been formalized to the point of total national mobility during major fire emergencies. In insect and disease outbreaks, the emphasis is on prevention and using alternatives to chemical pesticides wherever practical. Chief **Peterson** has also been instrumental in establishing what will be the greatest tree planting effort in the Nation's history, as part of the conservation reserve provided for in the 1985 farm bill.

In all aspects of Forest Service programs, the emphasis has been on providing the latest technology to all potential users.

Mr. **Peterson** has received numerous awards, culminating in the 1985 Presidential Rank Award as Distinguished Executive, recognizing him for sustained extraordinary accomplishment and leadership.

I have consulted with Chief **Peterson** over a number of years on a wide variety of topics. I, and I'm sure my colleagues, have deeply appreciated and valued his counsel.

I want to extend our thanks to Mr. **Peterson** for this counsel, his untiring dedication to public service, his innovations in providing organizational excellence, and his strong leadership in the conservation of natural resources.

Although we will miss Mr. **Peterson** as Chief of the Forest Service, I am gratified that Secretary Lyng has appointed F. Dale Robertson, presently Associate Chief, as the new Chief. Mr. Robertson brings a wealth of experience in the agency to his new position as Chief.

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## Title Info

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## Speakers

**Speaker:** MR. JOHNSTON

## Full Text

MR. JOHNSTON. MR. PRESIDENT, I RISE TODAY TO EXPRESS MY APPRECIATION AND BEST WISHES TO **MAX PETERSON**, WHO IS RETIRING TODAY FROM HIS POSITION AS CHIEF OF THE FOREST SERVICE.

IN HIS 38 YEARS WITH THE AGENCY, CHIEF **PETERSON** HAS SERVED IN A VARIETY OF CAPACITIES AND LOCATIONS FROM ATLANTA, GA TO MISSOULA, MT -- FROM CALIFORNIA TO WASHINGTON. IN HIS 8 YEARS AS CHIEF, HE HAS BROUGHT THE FOREST SERVICE THROUGH CHALLENGING AND DIFFICULT TIMES -- TIMES THAT HAVE SEEN DIVISIVE AND EMOTIONAL LAND MANAGEMENT ISSUES. **MAX PETERSON** HAS RESPONDED TO THESE CHALLENGES WITH FAIRNESS, CONSISTENCY, AND DEDICATION -- AND HAS ALWAYS HAD THE BEST INTERESTS OF THE FOREST SERVICE AND THE NATIONAL FOREST SYSTEM AT HEART.

I KNOW I SPEAK FOR A NUMBER OF MY COLLEAGUES IN WISHING HIM WELL IN RETIREMENT. WE ARE ALL GRATEFUL FOR HIS MANY CONTRIBUTIONS TO THE SOUND MANAGEMENT AND WISE USE OF OUR NATION'S FORESTS.

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**BIOGRAPHICAL SKETCH**  
**R. Max Peterson, Chief Emeritus**  
**USDA Forest Service**

On February 2, 1987, after 37-1/2 years with the Forest Service, R. Max Peterson retired as Chief of the Forest Service and was appointed Chief Emeritus by Secretary of Agriculture Richard E. Lyng.

R. Max Peterson became the 11th Chief of the Forest Service July 1, 1979. Prior to his appointment as Chief he served for 5 years as Deputy Chief for Programs and Legislation. He was Regional Forester for the Forest Service's Southern Region headquartered in Atlanta, Georgia, from September 1972 to February 1974, and Deputy Regional Forester for that Region from April 1971 to September 1972. Before coming to the Atlanta area, Mr. Peterson served on the staff of the Regional Forester in the Forest Service's California Region (now the Pacific Southwest Region), based in San Francisco.

Mr. Peterson is a native of Missouri and a graduate of the University of Missouri. He began his Forest Service career in 1949 in California, and during the next 9 years worked on three National Forests in that State.

In 1958, Mr. Peterson was awarded a Rockefeller Foundation Fellowship to the Water Resource and Land Use Planning Program at Harvard University where he attained his Master's Degree in Public Administration in 1959.

In 1959, Mr. Peterson was assigned to the Northern Regional Office in Missoula, Montana. He then went to the Washington Office in 1961 where he worked in a variety of assignments on the Administrative Management and Engineering Staffs. In 1966, he returned to California as Regional Engineer, and in 1971 was selected as Deputy Regional Forester for the Southern Region.

Mr. Peterson was a participant in the World Forestry Congress in Seattle, Washington in 1960, in Argentina in 1971, in Jakarta, Indonesia in 1978, and was Head of the US Delegation to the 1986 World Forestry Congress in Mexico City, Mexico. He was Chairman of the North American Forestry Commission from 1982-1984 and also served as Chairman of FAO's Committee on Forestry. He has been a speaker at three or four Society of American Foresters National Conventions. He served on the National SAF and SCSA Committees on Honors and Awards and he was active in promoting science for National Chapter programs.

Mr. Peterson received numerous honors including the University of Missouri Distinguished Service Award, the Advertising Council's Award for Distinguished Public Service, the U.S. Department of Agriculture's Distinguished Service Award, and the Presidential Rank of Distinguished Executive.



Mr. Peterson is a member of the American Forestry Association, the Society of American Foresters, the Soil Conservation Society of America, The Wildlife Society, and the American Society of Civil Engineers.

Mr. Peterson and his wife, Jan, have three daughters and one son who have completed college and are no longer at home. He and his wife live in Fairfax, Virginia.

March 1988

Peterson, R. Max  
6/27



# NEWS

U.S. DEPARTMENT OF AGRICULTURE

O'Connor (202) 447-4211  
Memolo (202) 447-4026

## PETERSON NAMED CHIEF OF FOREST SERVICE

WASHINGTON, June 27--R. Max Peterson, a deputy chief of the Forest Service in the U.S. Department of Agriculture for the last five years, today was designated the 11th chief of the 74-year history of the agency. The announcement was made by Secretary of Agriculture Bob Bergland.

Peterson will succeed John R. McGuire, who retires June 30 after a 39-year career with the agency. McGuire had been chief since 1972. Douglas R. Leisz will remain as associate chief.

The new chief began his career with the department's Forest Service 30 years ago after graduation from the University of Missouri with a degree in civil engineering. He later was awarded a master's degree in public administration by Harvard University.

After a two-year assignment as chief of the water improvement branch in the northern regional office of the Forest Service in Missoula, Mont., Peterson came to the agency's Washington, D.C., headquarters where he held several successive positions in the divisions of engineering and administrative management. He returned to California in 1966 as a regional engineer and became deputy regional forester in 1971 for the southern region, headquartered in Atlanta, Ga. The next year he was elevated to the position of regional forester for the 13-state area.

He was named deputy chief for programs and legislation in 1974, a post he has held since. In that position he was responsible for the 1975 Resources Planning Act long range program in the Forest Service and budget, legislation and policy analysis.

Peterson is a member of the Society of American Foresters, the American Forestry Association, the Soil Conservation Society of America and the American Society of Civil Engineers.

In making the announcement, Bergland said, "Max Peterson's broad experience and administrative skills make him an exceptional choice to carry on the high standards and traditions of excellence so long identified with the Forest Service."

As a part of USDA, the Forest Service administers 188 million acres of national forests and grasslands, a national cooperative forestry program with states and private woodland owners and the world's largest forestry research program.

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# NEWS RELEASE

United States  
Department of  
Agriculture

Forest Service  
P.O. Box 2417  
Washington, D.C. 20013

Marty Longan (202) 475-3777

## FOREST SERVICE CHIEF HONORED BY USDA

WASHINGTON, July 14 -- Forest Service Chief R. Max Peterson was the recipient of the U.S. Department of Agriculture's highest award at a ceremony on June 4, 1986. Secretary of Agriculture Richard Lyng presented the Distinguished Service Award to Peterson at a ceremony in Washington, D.C.

Peterson received the award for his outstanding leadership of the Forest Service, the Department's largest agency. Since becoming chief in 1979, he has been responsible for the overall management of more than 191 million acres of National Forests and Grasslands, one of the world's largest forestry research organizations, and a program of forestry assistance to state and private landowners.

According to the citation, Peterson has brought innovative management and new technologies to the agency, has saved several hundred million dollars, and reduced agency personnel by 20 percent, while maintaining or improving service to the public. Under his leadership, the Forest Service was nationally recognized as one of "10 Successful Organizations," along with Hewlett-Packard and L.L. Bean, in a study conducted by Pennsylvania State University and the federal Office of Personnel Management.

Peterson is a native of Missouri, and a graduate in Civil Engineering from the University of Missouri. He began his Forest Service career in 1949, as an engineer in California.

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Limited Distribution



By Joel Richardson—The Washington Post  
Coretta King shovels soil as Agriculture Department officials look on.

## *Living King Memorial Planted Near Capitol*

By Ken Ringle  
Washington Post Staff Writer

The U.S. Forest Service yesterday planted a 15-foot elm tree on the southeast lawn of the Capitol as a living memorial to Dr. Martin Luther King Jr.

"This tree has been watered with the blood of martyrs," said the Rev. Robert L. Pruitt, pastor

terday's ceremony here was part of a series of tree-plantings in more than 40 states.

Those trees "are taking root in America's soil just as many of the convictions and goals of King are taking root in America's consciousness," said Richard E. Lyng, deputy secretary of agriculture.

of the Metropolitan AME Church. "By the grace of God, its leaves shall not wither."

While about 200 spectators looked on and applauded in chilly, overcast weather, King's widow, Coretta Scott King, accepted the tree on behalf of the nation and the ideals of non-violence and racial justice for which the late civil rights leader labored.

Having a growing tree as a memorial to her husband, she said, "attests to our faith in the future," when the youth of America will "pick up the torch . . . and move us and our nation closer to the realization of his dream. . . . His dream is truly an American dream."

The tree-planting was part of a week of events honoring King, whose birthday is Jan. 15. Though Congress voted last year to observe a national holiday the third Monday in January in King's honor, the measure will not take effect until 1986. Yes-

"We are commemorating his life, not his death. This is a tree of life. Today we can reflect on how far we have come out of the dark shadows of bigotry. . . . But we still have some traveling to do before we reach Dr. King's 'sunlit path of racial justice.' To make his dream a reality, there is still work to be done," he said.

Rep. John Conyers Jr. (D-Mich.), Sen. Robert J. Dole (R-Kan.) and Democratic D.C. Del. Walter E. Fauntroy were also on hand for the ceremony.

The King tree, a disease-resistant strain of American elm, was brought to the Capitol from a nursery in Princeton, N.J. It stands just southeast of the House of Representatives on a circular lawn between the Capitol and the Library of Congress. Next to it is a gnarled and towering English elm which, according to forestry expert estimates, predates the Emancipation Proclamation, which was issued in 1862.

RETAINED  
Peterson, R. Max

FOREST SERVICE - U.S. DEPARTMENT OF AGRICULTURE

Castillo 447-4211

Washington, January 7, 1974

FOREST SERVICE APPOINTS TWO NEW DEPUTY CHIEFS:

Philip L. Thornton and R. Max Peterson have been selected to fill two Deputy Chief positions in the Forest Service.

Forest Service Chief John R. McGuire announced today that Mr. Thornton, now Deputy Chief for Programs and Legislation, will become Deputy Chief for State and Private Forestry. He succeeds Dr. Thomas C. Nelson who was recently appointed Deputy Chief for the National Forest System. Chief McGuire also announced that Mr. Peterson, the Regional Forester for the Forest Service's Southern Region, headquartered in Atlanta, Ga., will succeed Mr. Thornton as Deputy Chief for Programs and Legislation.

Prior to his present job, Mr. Thornton was the Associate Deputy Chief for State and Private Forestry. Before that, from 1968-71, he was the Director of the Forest Service's State and Private Forestry Area Office in Upper Darby, Pa., where he headed the Forest Service cooperative efforts with the 20 States of the northeastern United States.

Phil Thornton has both bachelor's and master's degrees from the State College of Forestry at Syracuse University in New York. His first work with the Forest Service, starting in 1951, was in research at the Central and Lake States Forest Experiment Stations. He served as a timber management specialist at the Regional Office in Milwaukee, Wis., and then came to national headquarters in Washington, D. C. as Staff Assistant in the Division of Programs and Special Projects. From 1964-68 Phil Thornton was the Assistant to the Chief of the Forest Service.



As Deputy Chief for State and Private Forestry Mr. Thornton will direct the cooperative programs of the Forest Service with State and local governments, forest industries, other Federal agencies, and private landowners in the protection and management of more than 500 million acres of forest and associated lands.

Mr. Peterson started his Forest Service career as an engineer. After graduating from the University of Missouri in 1949, he was a Forest Engineer on several National Forests in California. In 1958, he was awarded a Rockefeller Foundation Fellowship to the Water Resource and Land Use Planning Program at Harvard University where he attained a master's degree in public administration.

After serving in several staff positions in the Forest Service national headquarters in Washington, Mr. Peterson returned to California as Regional Engineer. He was appointed Deputy Regional Forester for the Southern Region in 1971 and Regional Forester for that Region in 1972. As Deputy Chief for Programs and Legislation, Peterson will be in charge of development and analysis of the long-range forestry and conservation programs of the Forest Service. He will also provide Forest Service liaison with other Federal agencies and the Congress on forestry programs and environmental policies.

In announcing the appointments, Chief McGuire said the Forest Service was fortunate to have two such able and experienced career officers to fill these important posts in the Forest Service. Mr. Thornton's appointment was effective December 23, 1973. Mr. Peterson's will be effective February 17, 1974.

## Western States Legislative Forestry Task Force

# NEWS RELEASE

FOR IMMEDIATE RELEASE

CONTACT: James B. Corlett  
Executive Director

### TASK FORCE HONORS R. MAX PETERSON

(Missoula, Montana, June 28, 1987) Chief Emeritus R. Max Peterson, U.S. Forest Service - so designated by Agriculture Secretary Richard Lyng - was honored by legislators from six western states and British Columbia at a meeting of the Western States Legislative Forestry Task Force in Missoula. Representative Douglas E. Sayan, Task Force Chairman, presented Chief Peterson with a plaque thanking him for his dedication to multiple use forestry and his longstanding liaison with the Task Force. Lieutenant Governor George Turman, introduced by Senator Elmer Severson and assisted by State Forester Gary Brown, presented a plaque, in the shape of Montana, to Chief Peterson. Honorable Dave Parker, British Columbia Minister of Forests and Lands, presented the Chief Emeritus with a coffee table book on British Columbia.

Congress must quit debating and start acting if it wants to avoid a timber supply crisis in many Montana national forests, U.S. Forest Service Regional Forester James Overbay told the legislators. Overbay said 20 percent of Montana's timber scheduled to be logged in the next 10 years is tied up in roadless areas. Nearly 1/5 of Montana's annual harvest of 558 million board feet is at stake and the agency is effectively barred from logging in roadless areas until Congress decides what land it wants to protect as Wilderness. Overbay said industrial forest operators may have to decrease their current level of national forest harvest if Congress does not act.

University of Montana School of Forestry Dean, Sid Frissell spoke to the legislators on the role of the school of forestry in Montana science and

education. The University of Montana hosted a Task Force field trip to Lubrecht Experimental Forest to view demonstration areas depicting various forest management techniques directed toward ranch and farm forestry.

Champion International Company provided a tour of its Bonner plywood plant, reportedly the largest on the continent.

Honorable Dave Parker, Minister of Forests and Lands, British Columbia, explained the B.C. political system. The Ministry is being reorganized to decentralize decision making as much as possible to the 5 regions and 46 districts. The trend is to encourage generalists as managers. Mr. Parker is the first professional forester to serve as Minister of Forests and Lands.

R. Max Peterson, Chief Emeritus, U.S. Forest Service, reported on the National Marketing Initiative developed cooperatively by the U.S. Forest Service and the National Association of State Foresters. It addresses the need for forest products markets to sell smaller wood products and hardwoods as a means for increasing domestic and foreign forest products markets. He explained how congressional activity is tied to budget reductions, and the use of the appropriations process to make national policy decisions.

The impact of Japanese tariffs on plywood imports from the U.S.A. was explained by M.J. "Gus" Kuehne, Executive Vice-President, Northwest Independent Forest Manufacturers.

Marvin McMichael, Missoula Manager, Forest Products Division, Stone Container Corporation, explained how the pulp industry helps provide stability to the lumber industry by utilizing its chips. But when lumber production is reduced, pulp mills have to scratch for chips. The interdependence of both kinds of mills is important to their production.

Richard Reed, Consulting Forester, Missoula, discussed the complexity of the issue in Montana which, along with Idaho and Nevada, has yet to solve its wilderness dilemma. The big issue in Montana is release of roadless areas, he said. Industry wants certainty on release of roadless areas. Successive wilderness bills have failed to gain sufficient support to pass.

Grizzly bear and wolf long-range management plans were discussed by Ron Marcoux, Associate Director, Montana Department of Fish, Wildlife and Parks. Neither species is threatened with extinction in Montana. The greatest impact on the grizzly is from forest planning. The state's ability to influence habitat depends on landowners.

The Task Force adopted two resolutions: (1) Opposing Further Restriction and Special Land Classification of U.S. Forest Service and Bureau of Land Management Lands near Yellowstone National Park, and (2) urging Congress to Provide for a Vigorous U.S. Forest Service Timber Sales and Road Access Program at least equal to the present and projected harvest level.

The next Task Force meeting will be held at Edmonton Inn, September 18-20, 1987, at Edmonton, Alberta. It will be hosted by the Alberta Ministry of Forestry, Lands and Wildlife, Honorable Don Sparrow, Minister.

The Legacy GT/PIC

## MAX PETERSON BECOMES FIRST MEMBER OF 101 CLUB

Former Chief Edward P. Cliff, Co-Chairman of the 101 Club, discussed the formation of the Club at the National Friends of Grey Towers Board Meeting and recruited its first member, Max Peterson. The "101 Club" name, Chief Cliff explained, came from Gifford Pinchot's philosophy of always giving more than 100% in any effort, and was chosen by Chief Cliff and his Co-Chairman of the Club, Chief John R. McGuire. The 101 Club is a special membership category open only to retired and current employees of the Forest Service, members who want to assist in perpetuating Pinchot's philosophy.

Members of the 101 Club will receive:

- formal recognition of membership signed by Max Peterson, Chief of the USDA Forest Service
- a signed copy of a pen and ink drawing of Grey Towers
- recognition of membership in a special section of the Friends of Grey Towers Newsletter
- 10% discount on items sold by Friends at the Grey Towers Museum Shop
- all announcements and newsletters published by the National Friends of Grey Towers



*Former Chief of U.S.D.A. Forest Service Edward P. Cliff, Co-Chairman of the 101 Club receives the first 101 Club contribution from Chief Max Peterson.*

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interview



OREGON STATE UNIVERSITY - STARKER LECTURE SERIES

R. MAX PETERSON  
Forest Service Chief 1979-1987

November 3, 1988

"FOREST SERVICE PLANNING: PAST, PRESENT, AND FUTURE"

INTRODUCTION

Planning in not perfect.

The question to ask is: Are we better with planning or without?

In the PNW (and other parts of the country), various "public interests" are speaking loud and with conviction (they know they are right & everyone else wrong).

The FS is in a position like a policeman who tries to intervene between a fighting couple - they often go from fighting each other to fighting the policeman.

PLANNING IN THE FOREST SERVICE - PAST

Pre-CCC Days - before 1933

Planning by the ranger - he "planned his work, then worked his plan."  
Plans often opposed by the Forest users - more than one reason they always carried guns!

CCC Era Planning - 1933-1941

Recreation and facility planning mostly.  
Planning very action oriented.

World War II Planning

Mostly suspended planning efforts.  
Exceptions were for strategic materials and minerals.

Post-War Planning - 1945-1950

Started project work inventories of needed work to be done.

Planning in the 1950's and 1960's

Lots of time spent on planning for individual resources - timber, range, recreation, minerals, visuals, etc.

Resource conflicts were dealt with via overlay maps to see where potential conflicts could occur.

Mapping and plans were at different scales & amount of detail.

Multiple-Use planning was multi-disciplinary - everyone gave their input to a small team, then left to get on with "real work."

PLANNING IN THE ENVIRONMENTAL ERA - 1970's & 1980's

Public "found" the NFs after the end of the Vietnam protests.

FS wanted this, but was unprepared for how quick it happened.

FS expected that once everyone understood how the FS managed the land, that everyone would agree that the FS was doing a good job.

The NF land was wanted by everyone, exclusive of the others - "My NF."

Populations were rising and so were the demands on resources.

Sharing was/is not what people want - selfish motives.

People and groups began using administrative appeals, courts, and Congressional methods to try and obtain what they wanted.

Several legislative "answers" in this era:

Multiple Use Act of 1960

Wilderness Act of 1964 - said by Congress to be "supplemental" to the Multiple Use Act.

Various studies initiated by universities & others about FS activities:

Monongahela NF - clearcutting.

Bitterroot NF - timber harvesting & replanting.

Several others.

Analysis of the Organic Act of 1897.

FS analysis as early as the 1930's showed deficiencies in the law. FS thought to ignore was the best policy at that time.

Act basically only allowed timber harvesting of dead, down mature trees - not second growth or other age classes.

With the Monongahela suit, the FS thought it could easily win.

Shortly after getting to the WO, Max looked at it (after the 4th Circuit ruling against the FS) and thought we would lose. Everyone in the WO thought he was crazy.

FS lost. Court gave the case to Congress to rewrite the law.

RPA of 1974

H. Humphrey felt that the FS needed long-range planning.

All the special interests groups agreed, as each felt they would get more shares of the "pie."

NFMA of 1976

Arguments in Congress revolved about how specific the law should be written - process or prescriptive.

Congress did not want any new act back in the courts, thus they gave the FS a lot of leeway - process rather than prescriptive.

Recommend reading Dennis LeMasters book Decade of Change. Good book, but it doesn't have all the insiders information about getting the NFMA through Congress.

Result of NFMA was establishing a committee of scientists to write the FS regulations to implement NFMA.

They held 18 public meetings to hear all sides.

They took three years to come up with their recommendations.

Too long of a delay for the NFs to implement the law.

Because of this delay, and the WO and Regions not really knowing how to build a new plan under the regs, the FS had a lot of trial and error in getting started.

Max felt that the FS should have let the old unit planning continue, with a few "lead" Forests try out the new planning process.

Forest planning under NFMA has been "like trying to ride a bicycle while trying to assemble it."

Expectations of NFMA Planning:

- 1 Plans would be better balanced through the interdisciplinary approach.
- 2 Plans would have more public support.
- 3 Plans would reduce unexpected effects.
- 4 Plans would be less costly & faster to produce.
- 5 Plans would result in better budgeting & financing.
- 6 Plans would have fewer appeals & reduce controversy.
- 7 Plans would allow foresters to practice in field rather than court.

## RESULTS OF FOREST PLANNING - THE FUTURE

- Planning today is unable to resolve conflicts.
- Interdisciplinary teams are not good decision makers.
- Process too complicated now, need to streamline the process - data, inventory, etc.
- Need to involve the public more.
- Focus planning effort more on the next 10-15 years, not fifty or more years.
- Reduce the role of minor public issues in the process
  - Issues tend to polarize the public.
  - Resolve small, localized issues (ie. summer homes) at the local or project level, not in Forest-wide planning.
- Develop a new approach to planning documents:
  - Plan document - What is proposed to be done.
  - Technical background documents - other alternatives, economics, timber, ORV, etc.
- Change regs/laws to better blend NFMA and NEPA.
  - Plans are now being written for the courts.
  - Plans need to be written for the decision makers & public.
  - NEPA is written for project level work, not long-range, Forest-wide plans.

## ANSWERS TO QUESTIONS:

- Public needs more natural resource education (FS & universities role).
- Public needs to get out on the ground more, not reading more documents.
- Planners are not infallible - 40 years ago, utility planners were predicting that the U.S. would today be heavily reliant on "cheap" nuclear energy. 15 years ago, planners assumed that oil would today be \$50-60/barrel. Today we have massive layoffs in the oil shale region.
- Planning tends to use polarizing words like "allocation" - need to use words like "sharing lands." This is the true meaning of the term multiple use, not exclusive rights to areas, lands, etc.
- MMRs - Congress did/does not trust the FS. The FS does not have very much leeway (discretion) in these areas because of the distrust. If the FS went back to Congress to try & get more freedom, we would probably get more MMRs and less discretion.

MESSAGE SCAN

To T.West:W01B

From: Jerry Williams:R06F15A

Postmark: Jul 27,89 10:49 AM

Delivered: Jul 27,89 2:02 PM

Status: Previously read

Subject: Max Peterson Talk Notes (Reeves)

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Comments:

Rich Reeves from the R-6 Planning shop made these notes.

-----X-----

NOTES FROM R. MAX PETERSON'S LECTURE AT  
PEAVY HALL, OSU, CORVALLIS, OREGON  
AS PART OF THE STARKER LECTURE SERIES

NOVEMBER 3, 1988  
(by Rich Reeves)

Max Peterson presented some of his insights and perspectives on Forest Planning to a pretty full lecture hall at Peavy. He did a good job; appeared confident and looked like he was really enjoying his retirement and doing this kind of thing. The following are my notes as best I could copy and keep up.

Max first started off by defending the need for planning. He stated that he usually responds to critics with the question "Would we be better off without a Plan?" He said two adjectives seem best to describe critics of Forest planning, loud and opposed. That these folks come off as not always right, but they are seldom in doubt.

He said the Forest Service appeared to be in the middle, sort of like a policeman going to break up a marital dispute; when you get there, neither side likes you.

Max went on to talk about planning history in the Forest Service starting off with the idea of custodial planning which was action oriented, dealing with specific problems with the Ranger doing it all, making the plan work by working the plan. Planning was opposed then as well as now. Max perceives the need for the six-gun strapped to many of the belts of the early Rangers as a sign of authority and that the "plan" was going to be implemented!

Next came facility planning, e.g. CCC's, planting trees, building roads, still very much action oriented. During WW II, most planning suspended except for materials (chrome) needed for the war effort. Post-war planning effort evolved into project work inventories (to provide jobs for those in the war effort) which was the foundation for Program of Work in 1959.

After this came individual program (resource) plans such as wildlife and timber management. District multiple-use plans dealing with resource conflicts with overlays were developed.

Almost to the day of the end of the Vietnam war, it seemed people discovered the National Forests and their resources. Special interest groups took shape. Max described a special interest group as: a special interest group is what you belong to and a public interest group is the group that I belong to!

Max believes strongly that planning should inculcate the philosophy of "sharing" of the National Forests, but he knows that there are those who will take a bigger share if they can legally do it.

Max reflected that he saw many attempts to legislate management of the National Forests. Most of these efforts failed because agreement could not be reached on setting priority of uses.

Max reflected on the Forest Service attempts to integrate planning efforts in the early '70s with Unit planning.

RPA received support from special interest groups because long range planning would more likely give them a bigger piece of the pie. In 1975, the question for Congress was "prescriptive or process legislation?" As it turned out it was process with many adjectives (approximate, practicable, etc.) so it could be kept out of the courts as much as possible. However, Max sees the Forest Service planning effort as riding a bicycle while trying to assemble it!

Max said there were some expectations of the new planning process:

- Be better balanced and integrated than in the old days.
- The public would be involved and thus more supportive
- Would reduce adverse effects
- Would be less costly and could be produced faster than individual resource plans.
- Provide basis for budget requests
- Keep Forest management out of the courts

Max thinks:

- Plans are important
- If you take country as a whole, public has accepted planning process
- However, planning process as established now, unable to handle polarization.

Max would retain (in planning process):

- Integrated planning team, (not team decision however).
- Public involvement

Max would change:

- Streamline the process - now too complicated and costly - takes too much time.
- More realistically relate NFMA with NEPA. NEPA is project oriented, NFMA is more programmatic. NEPA not written for courts but for the public and the decision makers. Now Forest Plan NEPA documents written for the courts. Evidence is we do not now know how to comply with both laws.
- Opportunity for common person to participate - now aimed at organizations.
- Need to concentrate on 10-15 years, not 50.



- Reduce prominence of issues in planning process. Issues tend to polarize. Need to look at Forests as they should be. (Note: this seemed to strike a nerve in some, but Max did not elaborate, even later when this was questioned from the audience. It appeared that maybe he wanted to concentrate on more what the Forests could be like in the future, as opposed to holding up issues as red flags.)

- Look at new idea for planning documents. Have one set for the legals, one for the bio-techs, and one for the public. He personally said he just didn't have time to read all the stuff in some he has seen.

- Max said he would drop the terms "allocate" and "tradeoffs". Suggests the sharing concept. Believes that sharing needs to be a new ethic.

Max responded to a question of the cost of planning saying it was less than 1% of the total Forest Service budget. (Note: some corporations plan on 4-6% for planning.)

Max closed with the joke about the 4th string quarterback who followed the coach's direction to the letter all the while wondering why the coach didn't change the play when the team punted after making a first down. (Think about this for a while!) He compared this to a plan that points to a direction that is not sensitive to change. He sees planning as dynamic.

The lecture series will be available in written form in early January '89 according to OSU. The next lecture is scheduled for November 17th with Judge Burns on "The Role of the Courts in Resolving Land Use Questions" (Peavy Hall, Stewart Auditorium, OSU, 4:00 pm.)

## Biographical Sketch of Ralph "Max" Peterson

by Dennis M. Roth

When R. Max Peterson, holder of a B.S. degree in engineering and a master's in public administration, was named 11th Chief of the Forest Service on June 27, 1979, observers pointed out that he was the first one to head the agency without a forestry degree since Gifford Pinchot. The distinction, however, is purely academic, for Peterson's many years of experience in all phases of Forest Service work have given him a knowledge of forestry that is at least the practical equivalent of a master's degree.

Peterson was born near Doniphan, Mo., within the Clark (now Mark Twain) National Forest on July 25, 1927. South-central Missouri had become an area of cutover forests, poor soil for farming, and very little wildlife. In the 1920's and 30's the Forest Service acquired several units of such land there to form the Mark Twain and Clark National Forests (now combined). Two of Peterson's uncles went to work for the agency, and many local residents found employment at the Civilian Conservation Corps (CCC) camp administered by the Forest Service. One camp was located adjacent to land homesteaded by his great-grandfather.

Peterson was the valedictorian of his high-school class. During World War II, he served in the Naval Air Corps, and as a partial result of his military training, received a bachelor's degree in civil engineering in 1949 after completing 3 years at the University of Missouri. The Forest Service offered him a job, and because the agency had impressed him as a boy, he accepted a position as engineer on the Plumas National Forest in California.

During the next 9 years, he worked on the Cleveland and San Bernardino National Forests in California. In 1958 he was awarded a Rockefeller

Foundation Fellowship to the Water Resources and Land Use Planning Program at Harvard University, where he received his Master's in public administration in 1959. He returned to work at the Forest Service's Northern Region headquarters in Missoula, Mt., in 1959, and in 1961 he was shifted to the Washington Office where he worked on a variety of administrative and engineering assignments. In 1966 he returned to California as Regional Engineer. In 1971 he was selected as Deputy Regional Forester for the 13 - State Southern Region in Atlanta, Ga., and the following year he was named Southern Regional Forester. In 1974 he returned to Washington as Deputy Chief for Programs and Legislation where he was deeply involved in working on the National Forest Management Act of 1976 and other important legislation, directing the national assessment and program required by the Renewable Resource Planning Act, and responsibility for program and budget formulation.

#### References:

Max Peterson file, Forest Service History Section

As Deputy Chief for State and Private Forestry Mr. Thornton will direct the cooperative programs of the Forest Service with State and local governments, forest industries, other Federal agencies, and private landowners in the protection and management of more than 500 million acres of forest and associated lands.

Mr. Peterson started his Forest Service career as an engineer. After graduating from the University of Missouri in 1949, he was a Forest Engineer on several National Forests in California. In 1958, he was awarded a Rockefeller Foundation Fellowship to the Water Resource and Land Use Planning Program at Harvard University where he attained a master's degree in public administration.

After serving in several staff positions in the Forest Service national headquarters in Washington, Mr. Peterson returned to California as Regional Engineer. He was appointed Deputy Regional Forester for the Southern Region in 1971 and Regional Forester for that Region in 1972. As Deputy Chief for Programs and Legislation, Peterson will be in charge of development and analysis of the long-range forestry and conservation programs of the Forest Service. He will also provide Forest Service liaison with other Federal agencies and the Congress on forestry programs and environmental policies.

In announcing the appointments, Chief McGuire said the Forest Service was fortunate to have two such able and experienced career officers to fill these important posts in the Forest Service. Mr. Thornton's appointment was effective December 23, 1973. Mr. Peterson's will be effective February 17, 1974.

FOREST SERVICE - U.S. DEPARTMENT OF AGRICULTURE

Castillo 447-4211

Washington, January 7, 1974

FOREST SERVICE APPOINTS TWO NEW DEPUTY CHIEFS:

Philip L. Thornton and R. Max Peterson have been selected to fill two Deputy Chief positions in the Forest Service.

Forest Service Chief John R. McGuire announced today that Mr. Thornton, now Deputy Chief for Programs and Legislation, will become Deputy Chief for State and Private Forestry. He succeeds Dr. Thomas C. Nelson who was recently appointed Deputy Chief for the National Forest System. Chief McGuire also announced that Mr. Peterson, the Regional Forester for the Forest Service's Southern Region, headquartered in Atlanta, Ga., will succeed Mr. Thornton as Deputy Chief for Programs and Legislation.

Prior to his present job, Mr. Thornton was the Associate Deputy Chief for State and Private Forestry. Before that, from 1968-71, he was the Director of the Forest Service's State and Private Forestry Area Office in Upper Darby, Pa., where he headed the Forest Service cooperative efforts with the 20 States of the northeastern United States.

Phil Thornton has both bachelor's and master's degrees from the State College of Forestry at Syracuse University in New York. His first work with the Forest Service, starting in 1951, was in research at the Central and Lake States Forest Experiment Stations. He served as a timber management specialist at the Regional Office in Milwaukee, Wis., and then came to national headquarters in Washington, D. C. as Staff Assistant in the Division of Programs and Special Projects. From 1964-68 Phil Thornton was the Assistant to the Chief of the Forest Service.





United States  
Department of  
Agriculture

Forest  
Service

WO

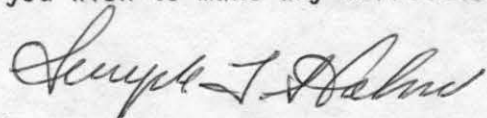
Reply to: 1680 History

Date: JAN 30 1981

Subject: Chief's Biographies

To: Chief

The Forest History Society has asked the History Section to write short (300-to 500-word) biographies of all the Forest Service Chiefs, which will be published in their forthcoming Encyclopedia of Forest History. Please let us know if you wish to make any corrections or additions to the enclosed draft.

*for* 

CHARLES P. TEAGUE, Jr.  
Director of Administrative Management

Enclosure

FOREST SERVICE  
RECEIVED

FEB 2 1981

OFFICE OF THE CHIEF





DRAFT/DROTH 3/27/81

Dr. Richard Davis  
Forest History Society  
109 Coral St.  
Santa Cruz, Ca 95060

Dear Richard:

Enclosed is a biographical sketch of Chief Peterson. I sent him a copy several weeks ago. I will let you know if he ~~has any changes~~ wants to make any changes. You will note that I have said nothing about his tenure as Chief. I omitted this because I believe ~~xxx~~ his <sup>regime</sup> ~~tenure~~ is still too new <sup>its</sup> ~~for any real assessment~~ to make any real assessment of ~~his~~ accomplishments.

Sincerely,

Dennis Roth

Head, History Section

Dennis.

Temple: I checked with  
Queen Carthy about 3  
weeks ago on this box.  
She was going to move it  
to the top of his pile.  
Still haven't heard, so  
~~at least~~ think it best  
to send it off now. I  
can amend it later,  
if necessary.

D. R.

Dennis what happens  
if they don't get it?  
This is too sensitive  
to send out is. He must  
really want to think  
about it or you would  
have had it back by  
now.

D.

P.O. Box 2417  
Washington, D.C. 20013

1680

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Forest History Society  
509 Coral Street  
Santa Cruz, CA 95060

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Sincerely,

DENNIS M. ROTH  
Head, History Section

Enclosure

DROTH:ac:3/26/81

*Letter not sent*

*Reply + corrected copy  
returned by Chief June 20, 1981*



UNITED STATES DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
P.O. Box 2417  
Washington, D.C. 20013

1680



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When R. Max Peterson, holder of B.A. and M.A. degrees in engineering and public administration, was named 11th Chief of the Forest Service on June 27, 1979, observers pointed out that he was the first non-forestry graduate to head the agency. That distinction, however, is purely academic, for Peterson's many years of experience in all phases of Forest Service work have given him a knowledge of forestry that is at least the practical equivalent of a master's degree.

Peterson was born in Doniphan, Mo., on July 25, 1927. South-central Missouri had become an area of cutover forests, poor soil, and degraded water supplies. In 1933 the Forest Service acquired much of the cutover land near Doniphan and in other areas of southern Missouri to form the Mark Twain and Clark National Forests (now combined as the Mark Twain National Forest). Two of Peterson's uncles went to work for the agency, and many local residents found employment at the Civilian Conservation Corps (CCC) camp administered by the Forest Service.

Peterson was the valedictorian of his high-school class. During World War II, he served in the Naval Air Corps, and as a partial result of his military training, received a bachelor's degree in civil engineering in 1949 after completing 3 years at the University of Missouri. The Forest Service offered him a job, and because the agency had impressed him as a boy, he accepted a position as engineer on the Plumas National Forest in California.

During the next 9 years, he worked on the Cleveland and San Bernardino National Forests in California. In 1958 he was awarded a Rockefeller

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Max Peterson file, Forest Service History Section

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JAN 30 1981

1680 History

Chief's Biographies

Chief

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THOMAS T. BARN

CHARLES P. TEAGUE, Jr.  
Director of Administrative Management

Enclosure

CC: DROTH:w/enclosures

DROTH:ac:1/29/81

D.R.

h 1/30

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3/12/82  
3-12-82

Peterson, Ralph Max (1927- ). When R. Max Peterson, holder of B.S. and M.P.A. degrees in engineering and public administration, was named eleventh chief of the Forest Service on June 27, 1979, he was the first non-forestry graduate to head the agency since Gifford Pinchot. Peterson ~~had, however, did have~~ a thorough knowledge of forestry gained from experience in all phases of Forest Service work.

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Dennis M. Roth



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#### References:

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00692



News Release  
U. S. Forest Service  
California Region

630 Sansome St., San Francisco 11, Calif.

FOR RELEASE AUGUST 9, 1958

U. S. FOREST SERVICE ENGINEER AWARDED HARVARD WATER RESOURCE FELLOWSHIP

Regional Forester Chas. A. Connaughton announced today that Forest Engineer Ralph (Max) Peterson has been awarded a Harvard Fellowship in Water Resources.

Mr. Peterson, an engineer with outstanding ability, was awarded the Fellowship to provide him with advanced administrative training in river basin studies, water structures, water use programs and related fields. A degree of Master of Public Administration is earned upon satisfactory completion of the courses.

Peterson, who has been the Supervising General Engineer in the San Bernardino National Forest for the past three years, is vitally interested in water management. During his tour of duty in San Bernardino National Forest, he contributed much to the many complex problems in the water resource phase. Mr. Peterson is the first U. S. Forest Service man to qualify for the Water Resources Fellowship at Harvard.

Ralph, his wife, Janice and their four children Brenda, Paula, Marla and Dana will travel to Washington, D. C. for a short stay and then on to Harvard for the Academic 1958-59 year.

Mr. Peterson's replacement will be Mr. Victor DeKalb. His transfer will be effective August 10, 1958.

DeKalb, at present the Forest Engineer on the Inyo National Forest, holds a degree in Forestry as well as Civil Engineering. He is a graduate of Iowa State College and has had considerable experience in forest engineering. DeKalb started out as a construction engineer with the Bureau of Reclamation; transferred to the U. S. Forest Service in 1951. His tenure with

(MORE)

the Forest Service includes such assignments as research forester, highway design engineer, field forester and supervising highway design engineer. He has worked at the California Forest and Range Experiment Station as well as on the Modoc, Sierra, and Inyo National Forests.

DeKalb, a veteran of WW II, was born in Bogota, Columbia, South America, but spent most of his childhood on a farm in Iowa. He is married; his wife, Carol, and their son, Douglas, plan to move to San Bernardino shortly.

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FOREST SERVICE - U.S. DEPARTMENT OF AGRICULTURE

Castillo 447-6957

Washington, September 15, 1972

FOREST SERVICE NAMES NEW REGIONAL FORESTER:

R. Max Peterson, a forest engineer, has been appointed Regional Forester in charge of the 13-State Southern Region, Chief of the Forest Service John R. McGuire announced today.

Since early last year, Mr. Peterson has served as Deputy Regional Forester of that Forest Service Region, headquartered at Atlanta, Georgia. He succeeds Theodore Schlapfer, who has recently transferred to Portland, Oregon as Regional Forester in the Pacific Northwest.

A 1949 graduate from the University of Missouri with a bachelor's degree in civil engineering, Mr. Peterson began his Forest Service career in the same year, serving as Forest Engineer on National Forests in California. In 1958, he was awarded a Rockefeller Foundation Fellowship to the Land Use and Water Resource Planning Program at Harvard University, where he attained his master's degree in public administration.

Following a 2-year assignment as Chief of the Minerals Branch in the California Regional Office of the Forest Service, Mr. Peterson moved on to the Washington Headquarters where he held staff positions, consecutively, in the Divisions of Engineering and Administrative Management. In 1966, he returned to California as Regional Engineer, and in 1971, he was selected as Deputy Regional Forester for the Southern Region.

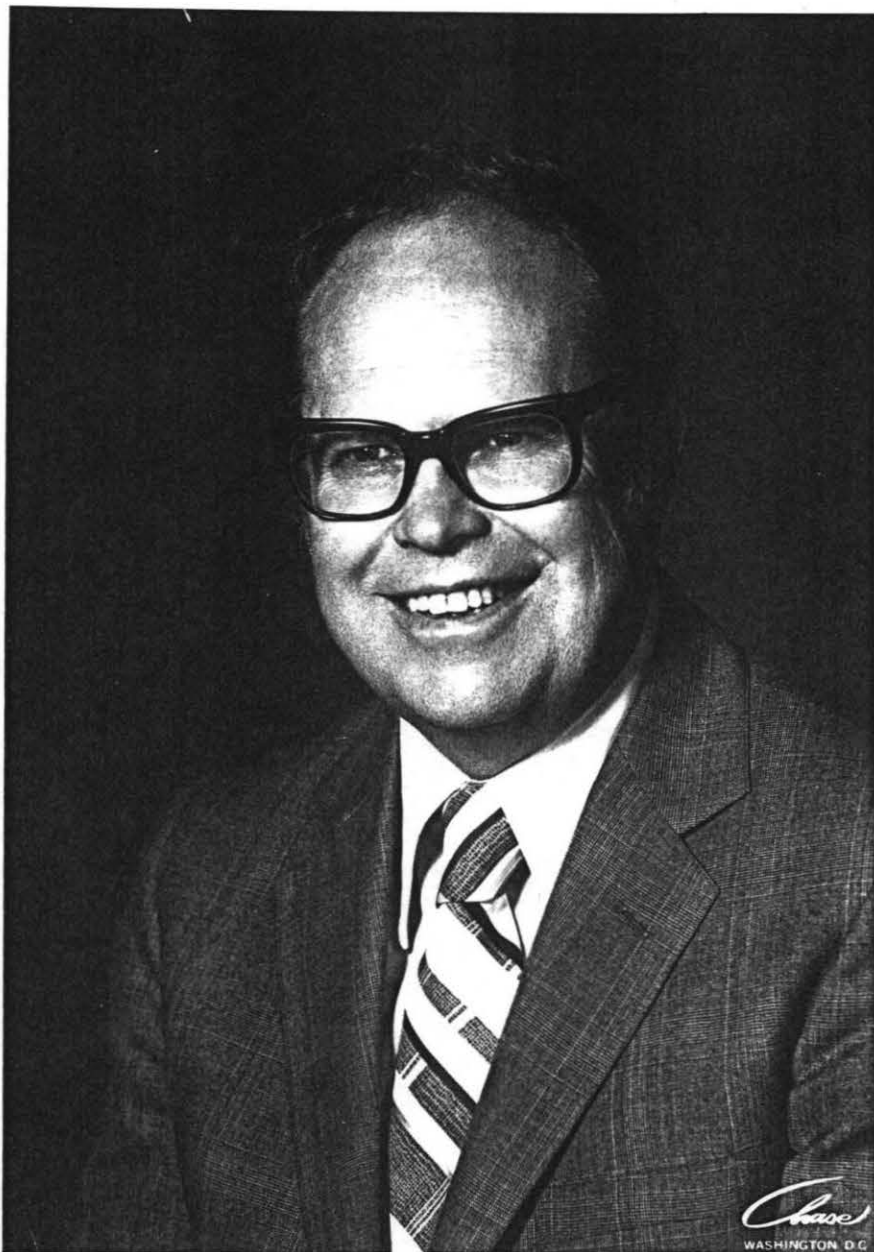
As Regional Forester at Atlanta, Peterson will be responsible for the administration and management of 33 National Forests, ranging from the George Washington in Virginia to the Sam Houston in Texas, encompassing nearly 12 million acres of forest and grasslands.



"These National Forests play a key role in the Southern economy," McGuire pointed out, "as a rapidly expanding source of lumber and forest products, and for their tourist-recreation use. Max Peterson thoroughly understands and respects the special characteristics and problems of the southern forests. During the past year he has helped to build up a new system of coordinated unit planning in the National Forests in the South, involving and inviting public opinion with frequent meetings and surveys. I am happy to have him as head of this vital and economically expanding Forest Service Region."

Peterson is living in Gwinnett County near Lilburn, Georgia, with his wife, Jan, and four children.

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Original + negative  
in Bios-Photos - Peterson, R. May



FS Chiefs, 1983  
Original in Bios-Photos-Photos of Chiefs



R. MAX PETERSON

R. Max Peterson has served as Chief of the Forest Service since 1979, the first individual with an engineering background to lead that agency. The Forest Service is the largest agency in the U.S. Department of Agriculture, and is responsible for federal leadership in forestry research, cooperation with states in encouraging forestry on private lands, and multiple-purpose management of the 190 million acres in the National Forest System. The agency's annual budget exceeds \$2 billion.

Peterson is a native of Missouri, and a graduate in Civil Engineering from the University of Missouri. He served in the U.S. Navy during World War II, and spent nearly 30 years in the Naval Reserve, including commands of a Seabee Battalion, a Seabee Regiment, and construction battalions in the Atlantic.

Peterson began working for the Forest Service in 1949, as an engineer in California, and during the next 9 years worked in progressively more responsible engineering positions, including overall responsibility for engineering activities on two different National Forests. In 1958, he was awarded a Rockefeller Foundation Fellowship to the Water Resources and Land Use Planning Program at Harvard University, where he attained a Master's degree in Public Administration. In 1959, Peterson returned to the Forest Service at the Northern Regional Office in Missoula, Montana, where his group received a Superior Service Award from the Secretary of Agriculture for its outstanding performance in rescue work, damage assessment, and follow-up action as a result of the Montana earthquake.

Following his assignment in the Northern Region, Peterson served in various administrative and engineering positions within the Forest Service. In 1964 he was assigned by the Chief to study the use of engineering skills throughout the Forest Service, which led to national guidelines for managing Forest Service engineering programs and personnel.

In 1966, Peterson became Regional Engineer for the California Region of the Forest Service, the most varied and one of the largest field engineering posts in the agency. He developed and directed innovative engineering approaches for building roads, bridges, winter-sports areas, recreational areas, and other facilities to serve natural resource programs in rugged and unstable terrain. He also received the Secretary of Defense's National Award for Community Support and Domestic Action, and a YMCA Service to Youth award for his Naval Reserve work which included inner-city youths in the San Francisco area.

In 1971, Peterson was named Deputy Regional Forester in the Southern Region, based in Atlanta, and a year later was promoted to Regional Forester there, with overall responsibility for National Forest programs in the 13 Southern states and Puerto Rico. In 1972, he was commended for his work as field member of a steering committee reviewing servicewide Forest Service organization.

In 1974, Peterson was promoted to Deputy Chief for Programs and Legislation, in Washington, D.C. In this position, he was responsible for long-term agency planning, and for analyzing and formulating all

servicewide Forest Service programs, policies, and budgets. As supervisor of the agency's policy staffs, Peterson was the major forest policy advisor to the Chief of the Forest Service, Secretary of Agriculture, and other policy officials at a time when the agency's roles and responsibilities were being rechartered and expanded by Congress. He received Special Achievement Awards in 1975 for his work in developing the Department of Agriculture's first long-term assessment and Forest Service programs for the nation's forest and rangeland resources, and in 1976 for his efforts to achieve passage of the National Forest Management Act.

As Chief of the Forest Service since July 1979--the eleventh in the agency's 78-year history--Peterson has managed the agency through major changes in programs and personnel to reduce costs and to meet the responsibilities of the 1980s, including growing international forestry responsibilities. He led the U.S. delegations to the Latin American Forestry Commission in 1980, and to the North American Forestry Commission in 1980 and 1982. He served on the U.S. delegation to the World Forestry Congress in 1960, 1972, and 1978, and will serve as head of the U.S. Delegation to the 1984 World Forestry Congress. He led the U.S. delegation to the 1980 and 1982 meetings of the Committee on Forestry of the Food and Agriculture Organization of the United Nations, and is currently serving as chairman of that committee. During the last three years, Peterson has been instrumental in gaining agreements with Mexico and Canada to facilitate improved North American cooperation in fire control, insect and disease management, and other forestry programs.

Peterson is a member of numerous professional organizations, including the American Society of Civil Engineers, and has served on many engineering committees. He was part of a special committee which developed standards for rural water and sanitation systems, and a member of the Highway Research Board's Committee on Surface Drainage of Highways. He is a member of the National Society of Professional Engineer's Advisory Committee. In recent years, he has also served as a judge for the National Engineering Excellence Awards presented by the Consulting Engineers Association.

## BIOGRAPHICAL SKETCH

R. Max Peterson, Chief  
Forest Service, USDA

R. Max Peterson became the 11th Chief of the Forest Service on July 1, 1979. Prior to his appointment as Chief he served for five years as Deputy Chief for Programs and Legislation. He was Regional Forester for the Forest Service's Southern Region headquartered in Atlanta, Georgia, from September 1972 to February 1974 and Deputy Regional Forester for that Region from April 1971 to September 1972. Before coming to the Atlanta area, Mr. Peterson served on the Staff of the Regional Forester in the California Region (now the Pacific Southwest Region) of the Forest Service in San Francisco.

Mr. Peterson is a native of Missouri and a graduate of the University of Missouri. He began his Forest Service career in 1949 in California and during the next nine years worked on three National Forests in that State.

In 1958, Mr. Peterson was awarded a Rockefeller Foundation Fellowship to the Water Resource and Land Use Planning Program at Harvard University where he attained his Master's Degree in Public Administration in 1959.

In 1959, Mr. Peterson was assigned to the Northern Regional Office in Missoula, Montana, and then in 1961 went to the Washington Office where he worked in a variety of assignments on the Administrative Management and Engineering Staffs. In 1966, he returned to California as Regional Engineer and in 1971 was selected as Deputy Regional Forester for the Southern Region.

Mr. Peterson is a member of the American Forestry Association, the Society of American Foresters, the Soil Conservation Society of America, and the American Society of Civil Engineers.

Mr. Peterson and his wife, Jan, have three daughters and one son who have completed college and are no longer at home. He and his wife live in Fairfax, Virginia.



# NEWS

U.S. DEPARTMENT OF AGRICULTURE

1979

## PETERSON NAMED CHIEF OF FOREST SERVICE

WASHINGTON, June 27--R. Max Peterson, a deputy chief of the Forest Service in the U.S. Department of Agriculture for the last five years, today was designated the 11th chief of the 74-year history of the agency. The announcement was made by Secretary of Agriculture Bob Bergland.

Peterson will succeed John R. McGuire, who retires June 30 after a 39-year career with the agency. McGuire had been chief since 1972. Douglas R. Leisz will remain as associate chief.

The new chief began his career with the department's Forest Service 30 years ago after graduation from the University of Missouri with a degree in civil engineering. He later was awarded a master's degree in public administration by Harvard University.

After a two-year assignment as chief of the water improvement branch in the northern regional office of the Forest Service in Missoula, Mont., Peterson came to the agency's Washington, D.C., headquarters where he held several successive positions in the divisions of engineering and administrative management. He returned to California in 1966 as a regional engineer and became deputy regional forester in 1971 for the southern region, headquartered in Atlanta, Ga. The next year he was elevated to the position of regional forester for the 13-state area.

He was named deputy chief for programs and legislation in 1974, a post he has held since. In that position he was responsible for the 1975 Resources Planning Act long range program in the Forest Service and budget, legislation and policy analysis.

Peterson is a member of the Society of American Foresters, the American Forestry Association, the Soil Conservation Society of America and the American Society of Civil Engineers.

In making the announcement, Bergland said, "Max Peterson's broad experience and administrative skills make him an exceptional choice to carry on the high standards and traditions of excellence so long identified with the Forest Service."

As a part of USDA, the Forest Service administers 188 million acres of national forests and grasslands, a national cooperative forestry program with states and private woodland owners and the world's largest forestry research program.



Peterson, R. Max

FOREST SERVICE - U.S. DEPARTMENT OF AGRICULTURE

Castillo 447-4211

Washington, January 7, 1974

FOREST SERVICE APPOINTS TWO NEW DEPUTY CHIEFS:

Philip L. Thornton and R. Max Peterson<sup>(over)</sup> have been selected to fill two Deputy Chief positions in the Forest Service.

Forest Service Chief John R. McGuire announced today that Mr. Thornton, now Deputy Chief for Programs and Legislation, will become Deputy Chief for State and Private Forestry. He succeeds Dr. Thomas C. Nelson who was recently appointed Deputy Chief for the National Forest System. Chief McGuire also announced that Mr. Peterson, the Regional Forester for the Forest Service's Southern Region, headquartered in Atlanta, Ga., will succeed Mr. Thornton as Deputy Chief for Programs and Legislation.

Prior to his present job, Mr. Thornton was the Associate Deputy Chief for State and Private Forestry. Before that, from 1968-71, he was the Director of the Forest Service's State and Private Forestry Area Office in Upper Darby, Pa., where he headed the Forest Service cooperative efforts with the 20 States of the northeastern United States.

Phil Thornton has both bachelor's and master's degrees from the State College of Forestry at Syracuse University in New York. His first work with the Forest Service, starting in 1951, was in research at the Central and Lake States Forest Experiment Stations. He served as a timber management specialist at the Regional Office in Milwaukee, Wis., and then came to national headquarters in Washington, D. C. as Staff Assistant in the Division of Programs and Special Projects. From 1964-68 Phil Thornton was the Assistant to the Chief of the Forest Service.

- more -

1/21/74  
cc: RF, ER(6), ER(4), F, Book, Bioq. (All other Dirs on 1/28)

As Deputy Chief for State and Private Forestry Mr. Thornton will direct the cooperative programs of the Forest Service with State and local governments, forest industries, other Federal agencies, and private landowners in the protection and management of more than 500 million acres of forest and associated lands.

✓ Mr. Peterson started his Forest Service career as an engineer. After graduating from the University of Missouri in 1949, he was a Forest Engineer on several National Forests in California. In 1958, he was awarded a Rockefeller Foundation Fellowship to the Water Resource and Land Use Planning Program at Harvard University where he attained a master's degree in public administration.

After serving in several staff positions in the Forest Service national headquarters in Washington, Mr. Peterson returned to California as Regional Engineer. He was appointed Deputy Regional Forester for the Southern Region in 1971 and Regional Forester for that Region in 1972. As Deputy Chief for Programs and Legislation, Peterson will be in charge of development and analysis of the long-range forestry and conservation programs of the Forest Service. He will also provide Forest Service liaison with other Federal agencies and the Congress on forestry programs and environmental policies.

In announcing the appointments, Chief McGuire said the Forest Service was fortunate to have two such able and experienced career officers to fill these important posts in the Forest Service. Mr. Thornton's appointment was effective December 23, 1973. Mr. Peterson's will be effective February 17, 1974.



*Biog.*  
*Peterson, R. Max*

FOREST SERVICE - U.S. DEPARTMENT OF AGRICULTURE

Castillo 447-6957

Washington, September 15, 1972

FOREST SERVICE NAMES NEW REGIONAL FORESTER:

R. Max Peterson, a forest engineer, has been appointed Regional Forester in charge of the 13-State Southern Region, Chief of the Forest Service John R. McGuire announced today.

Since early last year, Mr. Peterson has served as Deputy Regional Forester of that Forest Service Region, headquartered at Atlanta, Georgia. He succeeds Theodore Schlapfer, who has recently transferred to Portland, Oregon as Regional Forester in the Pacific Northwest.

A 1949 graduate from the University of Missouri with a bachelor's degree in civil engineering, Mr. Peterson began his Forest Service career in the same year, serving as Forest Engineer on National Forests in California. In 1958, he was awarded a Rockefeller Foundation Fellowship to the Land Use and Water Resource Planning Program at Harvard University, where he attained his master's degree in public administration.

Following a 2-year assignment as Chief of the Minerals Branch in the California Regional Office of the Forest Service, Mr. Peterson moved on to the Washington Headquarters where he held staff positions, consecutively, in the Divisions of Engineering and Administrative Management. In 1966, he returned to California as Regional Engineer, and in 1971, he was selected as Deputy Regional Forester for the Southern Region.

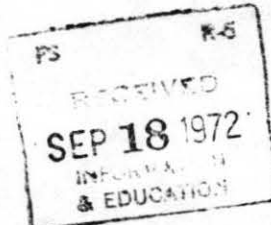
As Regional Forester at Atlanta, Peterson will be responsible for the administration and management of 33 National Forests, ranging from the George Washington in Virginia to the Sam Houston in Texas, encompassing nearly 12 million acres of forest and grasslands.

"These National Forests play a key role in the Southern economy," McGuire pointed out, "as a rapidly expanding source of lumber and forest products, and for their tourist-recreation use. Max Peterson thoroughly understands and respects the special characteristics and problems of the southern forests. During the past year he has helped to build up a new system of coordinated unit planning in the National Forests in the South, involving and inviting public opinion with frequent meetings and surveys. I am happy to have him as head of this vital and economically expanding Forest Service Region."

Peterson is living in Gwinnett County near Lilburn, Georgia, with his wife, Jan, and four children.

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U. S. Forest Service  
1720 Peachtree Road, N. W.  
Atlanta, Georgia 30309  
Phone No. 526-5191



Peterson, R. Max  
FOR RELEASE SEPTEMBER 15

Washington--Chief John McGuire of the U. S. Forest Service today announced the appointment of R. Max Peterson as new Regional Forester for the 13-state Southern Region of the Forest Service.

McGuire said Peterson, who has been serving as Deputy Regional Forester in the Southern Region in Atlanta, will succeed T. A. Schlapfer who recently was transferred to Portland, Oregon, to head up National Forest activities in the Pacific Northwest.

It also was announced that David E. Ketcham will be the new Deputy Regional Forester, moving into the spot vacated by Peterson. Ketcham has been Director of the Division of Forest Pest Control, State and Private Forestry, in the Washington office of the Forest Service.

McGuire said the National Forests in the Southern Region play a key role in the southern economy "as a rapidly expanding source of lumber and forest products and for tourists' recreation use."

"Max Peterson thoroughly understands and respects the special character and problems of southern Forests," McGuire added. He pointed out that Peterson had helped build up a new system of coordinated unit planning on National Forests in the South, a system that made much use of public involvement.

"I am happy to have him as head of this vital and economically expanding Forest Service Region," the Forest Service Chief said. The appointment is effective September 17.

Peterson, a graduate engineer with a master's degree in Public Administration from Harvard University, is a native of Missouri and received his engineering degree from the University of Missouri.

He began his Forest Service career in California in 1949 and served on three National Forests before returning to school in 1958 under a Rockefeller Foundation Fellowship. He took part in a land use and water resources planning program at Harvard and in 1959 received his master's degree.

Peterson served in the Missoula, Montana Regional Office of the Forest Service from 1959-1961 and then for the next six years worked in the Washington Office. He was named Regional Engineer for the California Region in 1966 and in 1971 became Deputy Regional Forester in Atlanta.

Ketcham is a native of Virginia and received his bachelor's and master's degrees in forestry from Duke University. He first went to work for the Forest Service in 1958 and has worked in Research on National Forests and in State and Private Forestry.

In 1969, Ketcham took part in the Congressional Fellowship Program of the American Political Science Association, working in the offices of a U. S. Representative and a U. S. Senator. It was from that program that he moved to the Washington office as Director of the Division of Forest Pest Control.

U. S. Forest Service  
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526-5191

FOR RELEASE April 4, 1971

Atlanta, Ga.--The U. S. Forest Service has announced the appointment of R. Max Peterson as Deputy Regional Forester for the Southern Region with headquarters in Atlanta.

Regional Forester T. A. Schlapfer said Peterson would assume his new duties on April 18. Peterson will come to Atlanta from San Francisco where he has been serving as Regional Engineer for the California Region of the Forest Service.

Peterson is a native of Missouri and a graduate of the University of Missouri with a degree in Civil Engineering. He began his Forest Service career in 1949 in California and during the next nine years worked on three National Forests in that state.

In 1958, Peterson returned to school under a Rockefeller Foundation Fellowship and received a Master's degree in Public Administration from Harvard University in 1959. The same year he was assigned to the Northern Regional Office of the Forest Service at Missoula, Montana and then in 1961 went to the Washington office where he worked in the Division of Engineering and later in the Division of Administrative Management.

Peterson became Regional Engineer in California in 1966, directing engineering activities for 18 National Forests.

In Atlanta, Peterson will assist with the administration of all National Forest activities in 13 Southern states. He succeeds H. C. Eriksson who retired recently.

Peterson and his wife have four children and have been active in church and civic affairs.

*M- This is good speech  
Please add to my  
speech file.  
Jale*

CELEBRATING THE 50TH ANNIVERSARY: WHAT IS LEFT BEHIND

I'm happy to take part in this symposium, and I take great pride in being part of the celebration of the Golden Anniversary of the Chattahoochee National Forest.

This is like a homecoming for me. I guess in all honesty, I might be able to say that in almost any part of the nation. I've traveled quite a bit in my career with the Forest Service. Nevertheless, this trip to northern Georgia brings back some especially pleasant memories. My days in the Southern Regional office in Atlanta allowed me to work with the people in this area. In the last few days, I've seen a lot of familiar faces. Some of the people were role models to me. They showed me what hard work could accomplish. They left behind a legacy of productivity, pride, and professional service. Now I guess they're showing me the value of perseverance, because they're still enjoying life and staying busy.

I was delighted to hear Deputy Secretary Myers' comments about the restoration of this land and our commitment to caring about the land and serving the people. That's the theme of a vision statement that we are preparing right now. The vision statement is a guiding light, a statement of philosophy that will help focus our work goals and objectives. It is at the printer now, and will soon be available for distribution. I'd like to comment on some of the issues and ideas that led to development of that statement.



Secretary Myers talked about the condition of the land that became the Chattahoochee National Forest. He cited the remarkable recovery of the land. I can echo his comments on the restoration of this land. Restoration is a long process, but I first worked in this area in 1971, and I can see improvements in the health of this forest ecosystem since then. The restoration of the southeastern forests is one of the greatest success stories in our nation's history. That's a big statement, but I think it can be supported.

#### Restoration of the Land

At the turn of the century, the first settlers to this area used the abundant natural resources to fuel industry and the economy. Too often what they left behind was depleted land. Much of the prime timber had been cut, and no effort had been made to plant replacement trees. Fire, both natural and man-caused, raced through thousands of acres, removing ground cover. Wildlife had insufficient food supply and shelter, so their numbers declined. Rain washed the nutrient rich topsoil into the creeks and rivers, destroying the fisheries. Obviously, the land was an aesthetic disaster too.

Today in the Southern Region, 12.5 million acres are under Forest Service management. Additionally, our State and Private Forestry program works through state foresters to provide assistance to nonfederal landowners. In many cases, this assistance includes transferring information and technology developed through the Forest Service Research program. Because of our effort, and the efforts of state agencies and private landowners, lands in the southeast have not only recovered; they have become among the most productive in the nation.

Getting back to the National Forest System, let me cite some productivity figures for those lands in the Southeast.

Last year, the National Forests in the South hosted more than 24.7 million recreation visitor days. While people enjoyed the forests for their recreational advantages, the forests were also producing more than 1.3 billion board feet of timber. The forests provide suitable habitat for at least 64 plants and animals on the federal list of threatened and endangered species. Also, they play a vital role in supplying the Region's energy needs, and each year they produce billions of gallons of high quality water.

Of course, these figures don't tell the whole story of the value of the National Forests. For instance, how do you measure the aesthetic and research values of these lands? However, these figures are a source of pride and substantiate my claim that the recovery of these lands is one of the great success stories of our nation.

That doesn't mean, though, that we face no problems in the future.

### Challenges

In fact, some people get upset when they read news reports about National Forest management. They read about the appeals, challenges, lawsuits, and controversies that have become a part of our everyday work environment. Quite often, forest management issues are controversial from two different directions at the same time. By that I mean that whatever decision we make, some people feel we went too far while others feel we didn't go far enough. So people ask how I can keep from going crazy with all the controversy going on.

Well, the controversy is not necessarily bad. I try to keep pretty close tabs on controversies surrounding our management decisions, and I take each complaint seriously. But, I hang on to one thought during the difficult periods: If we had not made good management decisions over the last 80 or so years, no one would care about these lands today. The intensity of the debate that surrounds our decisions is testimony to our past success.

Some people would argue that if we care for the land, we should preserve it. We believe there is merit in preserving some areas. We took the initiative in administratively establishing wilderness areas back in 1924 on the Gila National Forest. We believe there are multiple benefits to wilderness areas--scientific, genetic, aesthetic, and recreational benefits--but the Forest Service was not created merely to preserve the resources.

#### Role of the National Forests

The Organic Act of 1897 established the purpose of the National Forests. That act said our purpose was to secure favorable conditions of water flow and to furnish a continuous supply of timber. The Multiple-Use Sustained-Yield Act, Resources Planning Act, and National Forest Management Act are three of the hundreds of laws that further defined our role and responsibilities. The point I want to make is that federal laws help determine how we care for the land.

While I'm talking about factors that shape our management, I must mention the budget as an important determinant. We must care for the land within the budget appropriated by Congress. So, some projects that we might believe are desirable, cannot be executed because of costs. While this occasionally causes dilemmas, I think a system that requires us to submit our planned expenditures for review has many benefits for the taxpayer.

I've had the opportunity to travel to many other countries, and I don't know of any other country that has a system better than ours!

It seems ironic. Two of the challenges we face in conducting our land management program--some people call them problems or irritations--are intense public debates and Congressionally-controlled budgets. Yet, in our system of checks and balances, these challenges can, in some ways, help us provide better service to the American people.

Let me pull the ideas I've mentioned so far into some kind of focus. Part of our vision statement deals with our responsibility to care for the land. To that end, the Forest Service hires the most qualified scientists and managers available and continues expanding their professional skills through training. Their knowledge and skills are key elements in our successful land management program.

However, our people don't work in isolation. They are guided by numerous laws which define our responsibilities. Furthermore, their activities are shaped by the amount of money available for specific projects and by public comments on proposed actions. What this means is that caring for the land is an important part of our vision, but that vision must be seen through public eyes.

#### Providing Service

That brings me to the second key concept in our vision statement-- serving the people. Serving the people has always been an integral part of the Forest Service philosophy. The big change is that, in the early days of our agency, the public rarely came into contact with their forests or their foresters.

Fifty years ago, when the Chattahoochee National Forest was established, who would have envisioned the rapid growth of southern urban centers? Visitors from Atlanta to the Ranger's office were infrequent. And fifty years ago, who would have envisioned the extent and sophistication of public comments about forest management? Most of the people with an interest in, and awareness of, forestry practices were working with the Forest Service. Not so today! While serving the public has always been an important responsibility to the Forest Service, dealing with the public is a more difficult and more important responsibility than when Gifford Pinchot, our first chief forester, was at the helm.

To better serve the people we have developed extensive public involvement processes. Perhaps the most important public involvement process goes back to the earliest days--our open door policy. Our doors are always open to visitors, and we must always be ready to listen to other people's viewpoints. Public involvement must be an ongoing process, not an event. It has to be part of our everyday consciousness.

#### Provide for the Future

I'd like to make one final comment in regard to our responsibility to serve the public. That is that we must be acutely aware of whom the public is.

Is it our neighbors on adjoining property? Yes, but it's more. Is it our visitors--the people who spend more than 200 million days on the forests each year? Yes, but it's more. Is it all the citizens of the United States? Yes, but it is still even more! When we think of the public we must serve, we must think also of future generations--even those yet to be born--who have the right to enjoy the abundance of our natural resources just as we have.

It is not enough to provide for our current timber needs. We must reforest so future timber needs will be met. It is not enough to provide for our water needs. We must conserve this valuable resource. Our recreation needs and desires, grazing needs, and wildlife needs must be met in a way that also provides for the future.

That's a big responsibility! Can we do it?

I know we can! Our predecessors paved the way by restoring depleted lands. We must build on the bountiful legacy they have left us. We must continue to be stewards of this land. Then, when people gather here to celebrate the 100<sup>th</sup> Anniversary of the Chattahoochee National Forest, they will be grateful for what we have left behind!





# The Friday Newsletter

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No. 31

1690

August 1, 1986

## Conservation Re- serve an Attractive Way to Keep USDA Farm Benefits

THE NEXT signup period for the Conservation Reserve Program is Aug. 4 through 15. There are some important aspects to the program and other conservation provisions outlined in the 1985 Farm Bill that provide compelling economic reasons for farmers to follow conservation practices.

One provision in particular, conservation compliance, makes the Conservation Reserve Program an attractive alternative to risking soil erosion on farmland. The provision applies to farmers currently producing commodities on highly erodible fields that were planted at least once between 1981 and 1985. If these farmers wish to continue receiving USDA program benefits, they must begin an approved conservation plan by Jan. 1, 1990 and absorb its cost. The attraction of the Conservation Reserve Program is that USDA will share the farmer's cost of establishing some of the same conservation practices that would be required under the compliance provisions. And participating farmers remain eligible for other farm program payments.

Farmers who continue to farm highly erodible lands will be excluded from the following programs: price and income supports; disaster payments; crop insurance; Farmers Home Administration loans and guaranteed loans; Commodity Credit Corporation storage payments; farm storage security loans; and other programs in which USDA offers payments related to commodity production, including the Conservation Reserve.

## RF&D Meeting Held in Asheville

THIS WEEK we are holding the RF&D meeting in Asheville, North Carolina. As usual, there are several things I want to share with you from this meeting. So, in this space next week, I'll be passing along some of the highlights of the meeting.

## New Rule Allows Fee Charge for Reservations on Some Sites

WE'VE ESTABLISHED new regulations to charge fees for taking reservations for users on some National Forest System recreation areas and sites. The change is effective 30 days from its July 25 appearance in the Federal Register. The regulations were needed to continue protection of resources and to preserve opportunities for high quality recreation experiences at heavily used areas.

Some highly popular National Forest recreation areas, recreation sites, and wildernesses have reached their use capacity. In such cases, the Forest Service sometimes uses a reservation system to prevent overuse and damage to the environment. On one Wild and Scenic River, the cost of administering the reservation system has grown to \$40,000. The new regulations will help to recover such administration costs.

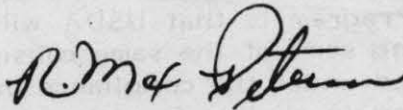
Fee levels will be based upon anticipated costs, which are expected to range from \$2 to \$8. Fees are nonrefundable.

## Speeches

TEXTS OF the following speeches are available from WO, PAO, FTS 447-6957.

Title: Celebrating the 50th Anniversary: What is Left Behind, 7 pp. Speaker: R. Max Peterson, Chief. Audience: Forest Service Symposium in conjunction with 50th Anniversary of the Chattahoochee National Forest. Place: Gainesville, Ga. Date: July 8, 1986.

Title: Chief's Opening Remarks to Regional Foresters and Directors, 26 pp. Speaker: R. Max Peterson, Chief. Audience: Regional Foresters and Directors. Place: Asheville, North Carolina. Date: July 29, 1986.



Chief

REG Meeting Held  
in Asheville

New Rule Allows Fee  
Charge for Reser-  
vations on Some Sites

## THE FOREST SERVICE FAMILY

### I. INTRODUCTION

I spent some time on the San Bernardino a number of years ago, and I have some wonderful memories of it. I particularly remember some pleasant hours spent in the San Jacinto Wilderness Area.

### II. WHERE THE FOREST SERVICE IS HEADED IN THE FUTURE

#### A. The Forest Service family - our heritage

##### 1. Heritage Awareness Program

#### B. Vision Statement

- C. During the last several years, we've spent a lot of time developing systems, procedures, and processes. This has given us a lot of good long-range plans--RPA and forest plans--to guide us.

Now, it's time to step out with vigor in our role as managers of multi-purpose forest lands. Some people think that we've been in "neutral." Now, it's time to shift into "high gear." It's time to change our focus from looking inwardly at our way of operating and focus our attention externally to perform our job, which is Caring for the Land and Serving People.

#### D. Sharing the National Forests

### III. I KNOW THERE ARE SOME OTHER ISSUES THAT YOU ARE INTERESTED IN HEARING ABOUT.

#### A. Budgets - President's 1988

#### B. Program balance

#### C. Consent decree

### IV. CONCLUSION

Caring for the Land and Serving People is what we are all about. Yet none of this can happen without a dedicated workforce. You are valuable members of the Forest Service family and I appreciate your good work.

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Remarks prepared for delivery by R. Max Peterson, Chief, Forest Service, U.S. Department of Agriculture, before a Family Meeting on the San Bernardino National Forest, California, January 12, 1987.



## THE FOREST SERVICE TODAY: WHERE WE ARE GOING

- I. We often talk about how much has changed since the time of Gifford Pinchot, in the early part of this century. But, today, I'm reminded how much has changed since a book called The Forest Ranger was published in 1960. One of the young rangers interviewed was Rex Resler. Well, since that time, Rex came up through the ranks, became Associate Chief, retired, and has been succeeded by two more Associate Chiefs! During the last 27 years--barely the time of one person's career--the forest ranger's job has changed a great deal. Now that's dramatic change.
  - A. For instance, each ranger is linked electronically with everyone else in the Forest Service.
  - B. Demands on natural resources are even greater and more diverse.
  - C. In the 60s, the Forest Service, and government, were expanding rapidly. Now, we are in a cutback mode.
  - D. Everything is now considered in broader terms. We talk not only of national programs and considerations, but also of an international context, both environmentally and economically.
- II. What about the ranger of the future?
  - A. Must go beyond professional knowledge or resources, and be extremely sensitive to public desires. The political, economic, and social values have become much more important.
  - B. One of the greatest challenges to us in managing natural resources is to educate people on sharing the National Forests. You may call this multiple-use or multipurpose management, but it is basically sharing of the available resources.
  - C. People have given us a good idea of what they want from the National Forests during several years of planning and various other processes. Sometimes various groups express strong disagreement. This is a fact of life.

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Remarks prepared for delivery by R. Max Peterson, Chief, Forest Service, U.S. Department of Agriculture, before the Region 9 Rangers' meeting, Washington, D.C., January 26, 1987.

D. I've noticed that sometimes what people state they want during public involvement does not match up with the levels of use or projected use of the forests. For instance, people may want little timber cutting in an area, but still expect a reasonable source of lumber for building houses. So, what I call the "desires" and the "needs" may not readily match up. In those cases, we need to educate people about the environmental and economic benefits of options available, including the fact that many uses are complementary and compatible.

III. Let me talk a few minutes about how rangers can bring about positive change:

1. Management/Productivity Improvement

--We've spent several years going through processes such as land management planning and studies to improve productivity. Now, we need to streamline and translate our words into actions. Much of this falls to the ranger.

2. Leadership

--As an agency, we must continue to be conservation leaders. The ranger is the person who can most directly show that leadership to the public.

3. Conflict resolution

--During the last several years, we've spent a fair amount of time training people to resolve conflicts. Again, we must make sure that we put that theory into practice.

4. Innovation and creativity

--With fewer dollars and fewer people, innovation and creativity have got to become prime characteristics of our workforce. I know we had innovation and creativity when Pinchot and Leopold and others worked on a shoestring in the early years of the agency. I'm proud to say our people still have those traits. In the last five years, as we've been scaling down as an agency, we've had literally thousands of creative ideas to save money and better serve the public.

5. Region 9 as our first ever pilot region can lead the way in putting new ideas to work. We can give you special leeway or get it from others as long as the proposal is legal, ethical, and is good land stewardship.
6. Future expectations
  - The world is changing rapidly. So is natural resource management. And so must we. At the same time as we change, I would like for us to keep the traditional values that have made us, I think, unique as a federal agency.
7. Public values
  - We really need to have a good handle on public values, and what the public wants from the National Forests, and to be flexible enough to change our management as public values change. Personally, I'm still looking for better ways to accurately read the public pulse. I'm sure you are too. We should also recognize that perceived public wishes can change rapidly and we need to be sure that the changes we adopt are a part of a constructive, long-term change that will result in improved land stewardship and serving the "greatest good for the greatest number over the long run."

IV. To help achieve these goals, I think we can employ some basic principles of management:

- A. Expect the best from the people you work with.
- B. Establish high standards of excellence.
- C. Create an environment in which failure is not fatal, but that unwise risks that have grave consequences are not encouraged.
- D. Employ models to encourage success.
- E. Recognize and applaud achievement.
- F. Place a premium on collaboration.
- G. Build into the team an allowance for storms.
- H. Take steps to keep your own motivation high.
- I. Be quick to take corrective action for even minor violations of high standards of integrity or that indicate misuse of funds or use for private gain.

V. Conclusion

I like the energy and enthusiasm I see here. I think you will make an excellent pilot region. And, I expect great things from all of you!



Once in a while we need to remind ourselves that in a democracy such as ours, many important decisions are made by elected officials. And the process by which they're elected and govern is a political process. They certainly need well-qualified professionals to handle the management of recreation, be it a city park, a county recreation area, a state conservation area, or a National Forest.

But it's important that a professional understand that certain decisions, including such "minor" questions as how much money goes to recreation, are likely to be handled at the political level. This interface between the political and the professional levels is one of the most important in our society--and one of the least understood.

In fact, it would seem that, in some cases, both sides like to throw rocks at each other. The politician frequently throws brickbats and criticizes the bureaucracy. And the bureaucracy may criticize short-term, poorly prepared political decisions.

I want to do two things today--talk a little about this political-professional interface as one of the political aspects of outdoor recreation; and, discuss the outdoor recreation program of the Forest Service a little bit. The National Forest System is the largest provider of outdoor recreation in the United States.

First let me deal with the political-professional interface as a sort of generic topic, and then apply it to outdoor recreation. In a democracy, we entrust the elected representatives to help us define such nebulous terms as "the common good, the public interest, the common defense," and to establish the relationships and responsibilities or roles among federal, state, and local governments.

The process works best when the politicians tell us what is wanted, rather than how to do it. The how is frequently best left to the professionals. As we deal with the political-professional interface, it is important to keep the difference between the what and how separate.

Since we entrust to elected representatives the fundamental job of defining the dimensions of such important concepts, it should follow that we should elect the very finest and most knowledgeable people to represent us. It's a rather sad commentary that less than half of us usually bother to vote at all. Be that as it may, my exposure to elected representatives over the last 35 years indicates that they're rather representative of us as a public. Some are outstanding. Some are excellent. Some are mediocre. And, unfortunately, some are very poor.

If we were completely candid with ourselves, we'd say that there are people in the bureaucracy and in other organizations who also meet each of these descriptions. So, the first tenet of this political-professional relationship should be a concept of honest, candid, and open consideration of important questions, with each side bringing to the subject the best they have to offer.

The relationship also requires a willingness to deal with somewhat different perspectives. For example, a professional of an organization is commonly concerned greatly with the organization. Meanwhile, a politician is concerned with looking at the needs of many people served by many organizations. He or she must weigh priorities which may be equally worthy. Compromises have to be made and we must always remember that the legislative process is a process of compromises.

Also, frequently, the political leadership, which may be of shorter duration, is interested in shorter time-frames and may be impatient at what seem to be unduly-complicated processes. This can be particularly frustrating--for both sides--if the processes are mandated by law. This is another reason for separating what is to be done from how it is to be done.

In our society, beginning about 1900, there was a long period of time when responsibilities progressively moved upward to higher levels of government. With schools, highways, medical attention, or the financing of outdoor recreation, the tendency was to pass responsibility of the financing and some of the programmatic aspects from the city to the state, and from the state to the federal government.

This inevitably led to the need for additional financing, mostly in terms of taxes at the state and federal levels. With that, some level of control over use of the funds was also inevitable. Then, about 20 years ago, the tide began to change. We began to hear questions raised about whether passing the responsibility on to higher levels was a good idea. We started to see the passing back of responsibilities in areas such as clean water, clean air, or laws such as the Land and Water Conservation Fund Act.

As much of the responsibility was given back to the states, there was, interestingly enough, still the idea that the federal government would continue to carry the financial burden. With the annual federal budget sounding more urgent warnings during the last decade, the obvious question increasingly asked was whether or not the financial responsibility should also be returned to the states, at least for some programs.

## RECREATION AND THE POLITICAL-PROFESSIONAL INTERFACE

Having spent several years in Southern California with the Forest Service, I can fully appreciate the value of recreation to both the economy of Southern California and to the health of its people. When I lived in San Bernardino, I watched the parade of cars as people headed each weekend for Lake Arrowhead and Big Bear. I can remember pleasant hours spent in the San Jacinto Wilderness Area, which is right above the city of Palm Springs, home of Mayor Frank Bogert, who will give us a report on the findings of the President's Commission on Americans Outdoors.

I'm pleased to be on the program with Mayor Bogert, who was a member of the President's Commission. This new report comes nearly 25 years after the Outdoor Recreation Report and has taken another look at the importance of recreation to the American people. I'll resist the temptation to comment on the Committee's report at this point, but I'm looking forward to the discussion after lunch today. I expect to be a very active participant!

I was intrigued by the title of your training conference, "Political Aspects Affecting Outdoor Recreation." I was intrigued because I've found over the years that most recreation professionals would prefer to avoid politics at all costs, and would much rather attend a conference on the aesthetics of outdoor recreation or how to interpret physical features of the flora and fauna of an area.

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Remarks prepared for delivery by R. Max Peterson, Chief, Forest Service, U.S. Department of Agriculture, to the Southern California Outdoor Recreation Training Conference, Northridge, California, January 13, 1987.

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It's clear that this question of which level of government should provide leadership in such things as outdoor recreation will ultimately be decided politically--and not without some level of controversy.

Without getting into the findings of the President's Commission on Americans Outdoors, I'd say it's quite clear that the Commission itself struggled with how to harness the great amount of state initiative and creativity in the outdoor recreation field, and at the same time, with how major thrusts should be financed.

Let me now give you an overview of outdoor recreation on National Forest System lands. As I mentioned earlier, they are the leading supplier of outdoor recreation in the country. In fact, they supply 40 percent of all recreation on federal lands.

I'm not citing the statistics to brag, but to point out the great importance of the National Forests, since 90 percent of the public lives within a one-day drive of a National Forest. It's not unusual for people from Los Angeles, Denver, Salt Lake City, Portland, Seattle, St. Louis, Boston, Atlanta, and New Orleans to be heading for nearby National Forests to ski, fish, hunt, hike, explore out-of-the-way areas by car, or just enjoy the great outdoors.

Some of you have seen our "Room to Roam" TV spots, presented by the National Forests in cooperation with the American Tourism Council, which show National Forests as areas where there's plenty of opportunity to enjoy the large and natural land base.

We recognized this high public use of National Forests in our recent Resources Planning Act program, which takes a look at the long-term needs for renewable resources. Based on these needs, we then suggested alternatives for meeting some of them with Forest Service programs, including research and state and private forestry programs, as well as the National Forest System.

We presented special initiatives for trails, facilities, and hunting and fishing, all to improve recreational opportunities. Whether or not such initiatives come about will ultimately be decided politically, in competition with other demands on the budget resources.

In the RPA program, we found that the total of the direct benefits and the consumer benefits for recreation, wilderness, and wildlife exceeded those of timber for each year through 2030. By 2000, the recreation budget in the high bound alternative would increase almost 2.2 times, while the timber budget would increase about 1.5 times. In the low bound alternative, all costs would go down until 1990 and then rise. Recreation would go down 11 percent, and timber 14 percent. But then, by the year 2000, recreation budgets would rise 57 percent while timber budgets would rise only 30 percent. Clearly, recreation is important.

Let me give you a more concrete example of the value of National Forest recreation. In fiscal year 1986, the total budget for the National Forest System was \$1.9 billion. Using values for each recreation visitor day, recreation produced \$1.8 billion of benefits. In other words, the benefits of recreation alone just about equalled our total annual budget for managing all resources on the National Forest System. This is a story that needs to be told, and I intend to be telling it this year. In fact, for fiscal years 1987 and 1988, I proposed large increases in recreation and wildlife in the Forest Service budget. We got some of that increase for 1987 and are hoping for even more for 1988.



Maybe we all need to do a better job of selling the economics of recreation. When we look at the tremendous dollar value and social benefits of recreation and tie them to the tourism industry, the economic viability becomes obvious. Tourism is one of the top three industries in 39 out of our 50 states. Incidentally, National Forests are located in 34 of those states, and the recreational activities on those forests contribute significantly to the economic well-being of those states. Perhaps we could all do a better job of selling recreation programs by putting them in economic terms that decisionmakers--often the politicians--can understand.

A final political aspect which will affect outdoor recreation has to do with the mix of user fees and general taxation as determined over time. The American tradition has been that the public lands provide a substantial amount of outdoor recreation, either free or at greatly subsidized prices. As the competition for general tax funds increases, we will have to establish or increase user fees, or else provide fewer recreation opportunities. The support of user fees for recreation appears to be growing, provided the receipts are made available to finance recreation opportunities.

All of us should recognize, however, that that's a political hot potato, because it changes a long tradition. Also, it's easy for someone to say that the public already owns the lands, so why should people have to pay again to use those lands? Clearly, the mere fact that they're owned by the public doesn't provide money to pick up trash, provide clean water, and otherwise operate them to meet people's needs. How that debate comes out will basically be a political decision--and it will determine to a large degree the amount, type, and location of future recreation opportunities.



A related question frequently overlooked is the appropriate role of the private sector in providing outdoor recreation. This is directly related to the user-fee question. It's not feasible for the private sector to provide recreation opportunities in competition with publicly-owned facilities at substantially reduced costs. I would point out that the partnership of the Forest Service with ski operators is a constructive example of private-public cooperation. The National Forests provide recreation opportunities in terms of beautiful mountains with excellent skiing, while the private sector provides the facilities.

This brings me to the role of the Forest Service in providing outdoor recreation. Because of the very large size of the National Forest System, we feel we should provide for those outdoor recreation activities that require a large land base. Secondly, because of the nature of the National Forest System, we should provide those things which offer a contrast to urbanization and offer opportunities to know and experience nature.

This does not mean that we won't continue to provide campgrounds and similar facilities, but we intend to leave the more highly modified environments to other levels of governments and the private sector. We don't wish to compete with states, counties, and the private sector. At the same time, we encourage the private sector to expand its role, with private land development the top priority.

I think this fits in well with the recommendations of the President's Commission on Americans Outdoors, which has asked for no less than a "crusade, a prairie fire community by community" to plan for outdoor opportunities."

As a people, we have a great heritage of lands owned by the public--from small city squares to vast federal wildernesses. Those of us in this room have a special responsibility. We are, in a sense, the executors of this gigantic estate. It falls to us to administer these lands for the good of our publics, both present and future generations. I believe that conferences such as this can help us, as professionals, do a better job of administering those lands within the political realities of today.

## THE ROLE OF MINERALS MANAGEMENT IN THE NATIONAL FOREST SYSTEM

Many people have an image of the Forest Service as a slow-to-change organization. That's just not true. If you compare our organization chart today with one from a couple of years ago, you'll see several new names, or at least familiar names in new places, including Buster Lamoure's. Similarly, the responsibilities and management methods of the Forest Service have gone through tremendous change, including the area of minerals and geology management. And I can foresee even greater changes in the future, as minerals management plays a more important role in our decisionmaking process.

### Historical Role of Minerals

I believe it is worthwhile to make a brief review of the historical importance of minerals management in the agency.

A reasonable place to begin this review is the 1872 Mining Act, which was basically designed to encourage the search for minerals. The mineral resources were important to the national economy and the development of the west.

Under the 1872 Mining Act, minerals management primarily consisted of accommodating the miners' needs, while protecting the surface resources as the law and policies would allow. Miners didn't have bulldozers and other earth-moving equipment, so the capacity to do major surface and offsite damage was quite limited, except where hydraulic mining was used.

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Comments prepared for delivery by R. Max Peterson, Chief, Forest Service, U.S. Department of Agriculture, to the 880/1350 Management Trainee Banquet, Colorado State University, Fort Collins, Colorado, January 27, 1987.

When the Forest Service was created in 1905, the land managers' approach to minerals was, in most cases, reactive.

There were a couple of reasons for this. First, in most cases, we had little information on the resource because it was not visible. Secondly, the decisions on where, when, and how to look for minerals were controlled by the miners, not the surface resource managers.

There is, of course, one obvious example where the forestry community was not content to merely react to mining claims. Gifford Pinchot believed in a more active role for land managers. He proposed a system of mineral leasing, which included reclamation, for coal. He reasoned that in many instances the coal deposit was visible, and once the coal was removed, the land should be reclaimed. He felt the best way to do this, and to discourage fraud, was by tying leasing royalties and reclamation stipulations to the mining claim.

Pinchot's efforts to bring mining interests and surface management into better harmony led to a clash with the Secretary of Interior, Richard Ballinger. Charges of fraud in the handling of mining claims on the Chugach National Forest in Alaska were leveled against Ballinger and publicly supported by Pinchot and Associate Forester Price. President Taft supported the Secretary of Interior and asked the Secretary of Agriculture to fire both Pinchot and Price for insubordination. The instant cause was a letter sent to Congress by Pinchot.

The demise of the top two men in the Forest Service obviously affected their successors' willingness to step into the minerals management fray. As the nation grew, several additional developments affected our reaction to minerals management.

First, we went through a period when mining claims were at times used as excuses for unauthorized recreational use of federally-owned land, and our ability to control these illegal activities was very limited. This created an atmosphere in which some Forest Service people mistrusted miners or minerals activities in general.

Second, the development of major earth-moving equipment and new mining techniques were not paralleled by developments of new technology nor incentives to reclaim mined lands. This led to eroding of lands and polluting of streams. Eventhough there were a few examples of good reclamation, as in most cases, the poor examples were the ones remembered by most people.

In 1955, the Congress enacted the Mining Claims Rights Restoration Act, which provided additional guidance for management of mining claims.

By the early 1960s, we saw major changes in how the public viewed management of the federal lands. We started hearing a great deal of public concern about environmental protection and surface management. We saw legislation enacted to set aside lands for special management purposes. The Forest Service could no longer play a passive role in the management of mineral resources. Within 20 years, we saw more changes than during the 60 previous years.

By the early 1970s, we began to take a closer look at how mining was affecting surface resources, and asking how we could do a better job of accommodating mineral development while protecting surface resources. As a result, the Forest Service came out with surface use regulations in 1974.

I still consider this a giant step forward in managing for the total resources. Almost overnight, we changed from a reactive role to active management of minerals-related activities. Forest Service line and staff officers became immersed in minerals management. I might add that the resulting work has been recognized as top-notch. Some people had said that the Forest Service did not have the background or the expertise to do the job. We proved differently!

Of course, the evolution of minerals management is continuing. The Energy Security Act of 1980, for example, specifically spoke to the question of mineral leasing in the absence of completed land management plans. A few months ago, we updated the 2800 Section of the Forest Service Manual.

#### Research and Mining Reclamation

A look at the history of minerals management in the Forest Service would not be complete without a brief look at the role of research and mining reclamation. We have been, and are, the national leader, I'd even say the world leader, in mined-land reclamation research and application.

As early as the second decade of this century, our Research organization was developing revegetation techniques for the cutover, burned-over abandoned lands that made up much of the National Forest System in the East. Not much of the early work involved mined lands, but the revegetation techniques developed were applied to revegetate mine spoils from coal mining in the East during the 1950s and phosphate mining in the West during the 1960s.



In the early 1970s, people were concerned about the effects that large-scale mining for energy and other minerals, including open pit extraction, was going to have on the environment, especially in the arid country of the West. In 1973, because of the expertise and the ability we had already demonstrated, and because of the increased mining activity in the West, the Forest Service established the Surface Environment and Mining Program, commonly called SEAM.

SEAM was a program to coordinate the reclamation research, development, and application being done by all agencies. This program was, and remains, the largest and most comprehensive program of its type. It received strong cooperation from the states and the mining industry. From 1973 to 1979, SEAM sponsored more than 150 research and development projects. Most of the information on reclamation being used today was developed or compiled through this program.

Examples of technology developed by this program being applied include:

- \* Thousands of acres of land mined for phosphate in Idaho that have been stabilized and returned to productivity levels equal to or greater than pre-mined levels.

- \* Thousands of acres mined by the open pit method for coal and uranium in Wyoming and Montana have been reclaimed to the point where most casual observers know that mining occurred only because these areas appear to be in better condition than the surrounding lands.

Of course, not all reclamation projects are success stories, so our research work must continue. Protection or restoration of surface resources during mining operations will be one of our continuing responsibilities.

New Challenges in Minerals Management

We may face new challenges in minerals management because of the Interchange proposal. During the last Congress, the Interchange proposal was introduced in the House of Representatives by Congressman Udall, with Congressmen Young and Regula as cosponsors, and in the Senate by Senator McClure. For several reasons, including an already full legislative agenda, and its scope and complexity, no action was taken on the bill. We will present our proposal again to the new Congress, and, although they already have a very complex and somewhat contentious agenda, I fully expect Congress will take action on the joint Forest Service/BLM proposal.

That proposal recommends the exchange of surface management authority on almost 25 million acres of land, but more importantly for you, it transfers the authority for fully managing the minerals resource on 206 million acres to the Forest Service. It is a commonsense unification of surface and subsurface responsibilities which will serve the public and the mining industry better.

Even if the legislation never gets enacted, both the Forest Service and BLM agree that minerals responsibilities should be aligned with accountability. We have already taken actions that we can under existing laws to better streamline and coordinate our effort. In the Interchange public involvement effort, public support for merging surface and subsurface authorities was generally good, although there was some opposition.

The possibility of increased responsibilities makes good management even more vital. There is a need for highly-capable supervisors and managers at each level and in all programs of the Forest Service. This is dictated by our integrated organization, economic and environmental concerns, and fast-changing technologies. This need is more critical than ever in the minerals program, now and in the future.

#### Answering the Challenge

How will you answer the challenge of increased minerals management responsibilities? First of all, you have accepted the challenge by applying for and participating in this program--a program designed to improve the managerial skills of minerals professionals who aspire to become line managers or regional program directors in minerals.

You are the first participants in the program. I want to congratulate you on being selected for this program. I want to encourage you to make sure that you and the people you work with are ready to hit the ground running. And, I want to challenge you to be ready to execute whatever new authority we may get and help provide the strong leadership necessary for a successful minerals program in the Forest Service.

## MANAGING WILDFIRES WELL

I want to start off by congratulating you for being selected to attend this training! This is the highest level of wildfire suppression training available in this nation, and, I believe, in the world. When you complete this training, you will be members of an elite group, qualifying to serve as part of the National Interagency Overhead Team. That is both an honor and a responsibility.

We have just experienced two of the most severe fire seasons on record, involving the need for massive organization, movement, and deployment of firefighting resources. I think all agencies involved, at all levels, performed well. Nevertheless, we all have areas of concern and needs for improvement. Our successes, concerns, and opportunities were documented in parallel Forest Service and BLM reviews of the 1985 fire season. You should all be aware of these findings in order to achieve even better performance in the future.

You represent the nation's finest incident managers, and we expect especially strong leadership from you. Suppression of large wildfires is becoming increasingly complex, expensive, and hazardous to the safety of the firefighter and the public. Additionally, it is an area of responsibility that always generates interest from members of Congress and the news media. You must learn your jobs, both in the classroom and through practical experience, in order to manage all aspects of wildfire well.

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Remarks prepared for R. Max Peterson, Chief, Forest Service, U.S. Department of Agriculture, for the Opening of the Advanced Incident Management and Area Command Training, Marana, Arizona, February 1, 1987.

What do we mean by the phrase "managing wildfires well?" Several key aspects of good management come to mind.

1. First, team organization. To manage well, incident team members must be highly qualified. Equally important, they must function together as a team, not as an aggregation of individuals. Intra-team processes, procedures, and communications must be well established and function effectively.

2. A second key aspect of an organization that manages wildfire well is that it provides excellent service to the responsible line officer. The line officer's direction must be carried out in a timely, professional, cost-effective manner.

Let me pause there for a moment and elaborate a little on what I mean when I say "professional." A professional conducts a sound EFSA (Escaped Fire Situation Analysis), consults with the line officer, and then uses appropriate suppression strategy and tactics.

3. Thirdly, managing wildfire well means doing a complete job from beginning to end. We often stress what must be done to get the incident under control--that's as it should be--but wrapping the job up successfully is also important. Demobilization should be timely and handled with a minimum of impact for the work crews, the host unit, and the units of origin.

That means that the rehabilitation work best done by suppression crews is done before demobilization. And it also means that fire business management tasks should be completed to the extent possible so the host unit is not left with an abundance of unpaid bills.

4. That brings us to the final major part of what "managing well" means--managing the people or human element. Regardless of what area you want to talk about, good management includes dealing well with people. In the case of wildfire suppression, a good manager shows a high degree of concern for people, as well as for achieving the fire suppression objectives.

Managing shift lengths and providing appropriate R&R for both overhead and crews are among your most important responsibilities. Fatigued people make mistakes affecting themselves and others. Safety must be your top priority in any fire suppression activity. We cannot afford to take shortcuts in this area!

People management also means providing quality, developmental experience for subordinates and trainees. I don't believe that we've done very well in the area of on-the-job training, so I want you to work at this conscientiously.

Another aspect of managing the human element involves working with the public and the media. Make sure that when you leave an area you don't leave the line officer or the agency with a public relations problem! Many eyes are upon you--on what you do, and how you do it.

So what can you do to prevent a negative reaction to your efforts?

Keep the public informed!

Involve cooperators!

And respect the interests of concerned private citizens!



This is a tall order, but an important one. It's often difficult for us to put ourselves in another's place when we are in the middle of our fire suppression effort. Being able to empathize with the distressed homeowner or the inquisitive reporter or Congressional aide is one of the traits that separates the best from the rest. I think we are generally doing well in this area, so keep up the good work!

In summary, managing well means being team-oriented, providing support to your line officer, making smart decisions, finishing all elements in your job, and considering the human factor above all else. That's a tough job in anybody's book! Again, congratulations on your selection for this training, and best wishes in the challenges which lie ahead, both during this course and in the incidents to come.

## FORESTRY IN THE UNITED STATES IN THE YEAR 2000

### I. Introduction

It's been popular for some time now to talk about the year 2000. Often, we've talked as though it were some distant time. Now, it's coming upon us in just 13 years. It will occur while you folks are in the first half of your resource careers. So, it definitely has meaning for you. I guess it will have meaning for me, too. I'll be sitting back, retired, and saying "I told you so" if my predictions are correct. In fact, I may be tempted to claim predictions that I've never made! So, maybe you'll have to remember these remarks just to keep me honest!

### II. Your technical knowledge alone won't prepare you for the year 2000.

#### A. Importance of futuring.

Too often, we look at immediate issues. These need to be dealt with, but they often form a haze that blinds us to the major changes of the future.

### III. The world in the year 2000.

#### A. Populations are increasing.

#### B. Peoples' expectations of their forests are rising.

#### C. Technology is making it possible to use more of the resources better, and to change the type and pace of forest impacts.

1. Yet we are not adopting these technologies quickly enough. Today, even in the U.S., frequently only 50 percent of the wood fiber is used after harvest. In tropical forests, it may be only 10 percent.

**IV. The U.S. as part of the global economy and environment.**

**A. We are increasingly a part of the world economy.**

1. We will have to be prepared to be a greater part of the world economy.

--We have been playing a game of catch-up for the last 20 years.

**B. Also, increasingly a part of the world environment.**

1. Air pollution, and plant and animal pests and diseases recognize no national boundaries.

--Example--gypsy moth is an unwelcome guest from Europe.

**C. Other issues will affect all of us--world food supplies, populations, loss of tropical forests, etc.**

1. Sometimes we have to remind ourselves that, worldwide, the greatest use of wood is for fuel for heating and cooking.

--At the World Forestry Congress in Mexico City, in 1985, I sat next to the head of the Ethiopian Forest Service. He was trying to deal with the aftermath of deforestation which was caused by a desperate search for food and fuel, as well as turmoil and war, and which relegates the future to a very low priority.

**V. The U.S. in the year 2000.**

**A. U.S. will still be a land of relative plenty in natural resources.**

- B. We'll have seen the regrowth of forests harvested earlier in both the South and in the Pacific Northwest.

- C. We'll know whether the current concern about atmospheric deposition was a false alarm or a warning that we heeded too late or something in between.

**D. We'll certainly have a lot of improvements--such as new biological pesticides.**

- E. I think we'll have a better knowledge of fragile riparian ecosystems and what is needed to manage them.

- F. I think we'll have better ways of predicting fire behavior.

**G. And, most certainly, we'll have some new problems--or pests--that we do not recognize now.**

- H. I think, in general, we will have a greater recognition of the interrelationships of people and the environment.
- I. I hope we will have overcome our reluctance as a nation to invest in research and to apply results promptly.
- J. I hope we will see more cooperation in planning among communities and agencies.
  - 1. For instance, here in California, I'm appalled that some new communities are springing up around--and even in--forests, often with little regard for or protection from potential fire.

**K. Sociological changes.**

- 1. According to the statistics, one of the most helpful courses you can take is Spanish. Because, by the year 2000, we estimate that many communities in the Southwest and California may be predominantly Hispanic.
- 2. The general age of the population will continue to rise. We are about to see the rise of the "geriatric" generation who will determine most of our destiny.
- 3. We will see a continuation of two-career families, and more women and minorities in natural resource management.

- L. And, finally, I hope that we will have learned to look beyond current issues. Yet I wouldn't bet the farm that this comes about in just 13 years. Old habits are hard to break. The rise of single issue organizations seems to be a fact of life.

**V. How can you prepare for this future? By becoming the best resource professionals possible. This means:**

- A. Specialized training, such as the excellent curriculum here.
- B. Acceptance of an ethic of land stewardship, including an equitable sharing of land uses. This is more than just being a protector of the resources, although that's a part of it.
- C. An enthusiasm about other issues beyond natural resources, to help understand where natural resources fit into the broader picture.

- D. **A desire to keep learning, throughout a lifetime,**  
recognizing that even a university education is merely a  
foundation upon which to continue learning.
- E. **Integrity.**
- F. **Dedication**
- G. **And an outlook that is positive, futuristic, and constantly  
striving for excellence.**

#### **VII. The Unexpected Will Still Occur**

I should caution that, as resource managers, you will also need to remain flexible. Futuring can be a guideline for planning. However, managers also have to be able to handle rapidly changing situations.

I think it's both a challenge to, and a punishment for, those of us who try to predict the future too exactly that natural disasters occur when we least expect them. For instance, one of my first management challenges as Chief was the eruption of Mount St. Helens. We really had no precedent for this situation. And, what if a major earthquake would strike California tomorrow-- would we be truly prepared to handle all of the effects on natural resources, let alone the people and communities?

#### **VI. Conclusion**

Well, since I've just suggested that resource professionals need to walk on water, and leap tall buildings in a single bound, let me give you a chance to "have back" at me. **Let's have a lively discussion!**



## MISSOURI'S FORESTS AND ONE MAN'S LIFETIME

I'm glad to be back here in Missouri, with my good friend, Deputy Secretary Peter Myers, and many of you whom I've known and worked with for many years. When I accepted your invitation to speak today, I didn't realize that I would be doing it in retirement. Although I had for some time looked toward 1987 as a potential retirement year, I didn't firm up the date until December.

In talking to groups both in this country and overseas during the last several years, I've often cited Missouri as a state that has made great progress in natural resource management during my lifetime. One of my most vivid memories from childhood is of wandering through abandoned lumber camps, logging railroads, and forests that seemed to have no life in them. As a youngster, I lived in southeastern Missouri near Doniphan and later spent my high school years near Jefferson City. I can well remember what the forest was like then--cut-over, burned-over, farmed-over. It was devoid of substantial wildlife populations. Streams ran muddy after every storm. It was a particularly bitter situation for many of the people around Doniphan, for timber had played an important role in the economy of the surrounding area. For example, some of you may know that Grandin, Missouri, which is near Doniphan, boasted the largest sawmill in the United States early in this Century.

It was also here in Missouri that, as a boy, I had my first view of the Forest Service. In the 1930s, the Forest Service acquired much of the cut-over land near Doniphan and in other areas of southern Missouri to form the Mark Twain and Clark National Forests. This did two important things. The forest was protected from fire and major reforestation efforts began. The Forest Service and the CCCs brought new life into the surrounding communities as well as providing a source of much-needed employment. I remember that two of my uncles went to work for the CCC and later both worked for the Forest Service.

The Mark Twain provided my family--there were five of us kids--with firewood and with supplemental grazing for our cattle. And, it even gave us something more important. It was a doctor from the Forest Service's CCC camp who correctly diagnosed a strange fever which had made my mother a semi-invalid.

But I remember more light-hearted times as well. I remember hunting and fishing on those forests, and even carrying water to firefighters at a very young age--something I couldn't condone now under modern safety rules.

And my story is not unique, although I did end up working for the Forest Service. Yet many youngsters from my generation on have enjoyed the benefits of Missouri's forests. And, we have many organizations to thank for these restored forests.

A number of efforts, including establishment of the Mark Twain and Clark National Forests, the Missouri Conservation Commission, and professional groups such as yours, are all a part of the success story that has seen Missouri substantially restore its forests, wildlife and fish. The recent enactment by Missouri of a state sales tax is but one of the continuing strong evidences of public support for natural resources management.

Aldo Leopold, considered by many as the father of wildlife management, once said:

"We abuse land because we regard it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use it with love and respect."

The state of Missouri made that transition in the 1930s--and I'm proud to have been able to watch it happen--not all at once but over time.

If I could reminisce a bit more, I can remember a time when there were no turkey or deer hunting seasons in Missouri--because of the lack of sustainable populations. Part of that, unfortunately, was because of poaching.

One of the strong forces which those of us who work for natural resource agencies appreciate is the vital contribution made by professional societies such as yours. As I've talked to Forest Service people and counseled young people, I've emphasized that being a professional requires not only an adequate initial education and a code of ethics, but a commitment to life-long learning. Professional societies play a key role in keeping professionals up-to-date, not only in what is going on in their world, but in universities, other agencies, and the private sector.

We in the Forest Service feel a particular kinship to wildlife. We enjoy seeing wildlife. Most of us hunt or fish. And, we're also proud of a wildlife heritage that includes Aldo Leopold as a Forest Service alumnus. As I mentioned, he was one of the early leaders in giving impetus to professional wildlife management, particularly as related to habitat. As most of you know, the Forest Service has continued not only a strong interest in wildlife management on the National Forests, but has a continuing research program as well as cooperative programs with each state to help improve forest protection and management.

I think the research and cooperative programs are particularly important as our society seems to get further and further removed from its natural resources. Leopold once put it this way:

"There is value in any experience that reminds us of our dependency on the soil-plant-man food chain, and of the fundamental organization of the biota. Civilization has so cluttered this elemental man-earth relation with gadgets and middlemen that awareness of it is growing dim."

Well, it's resource professionals such as yourselves who are trying to make that awareness a little brighter for both present and future generations.

It's been my pleasure to be intimately involved in Forest Service efforts to recover threatened and endangered species, ranging from the Puerto Rican Parrot to the Grizzly Bear. Because of development and displacement of wildlife, the National Forests today are home to many species of wildlife--such as elk and the red cockaded woodpecker--that used to range over large areas of public and private land.

We're pleased that most of our wildlife biologists who provide essential professional expertise to the Forest Service--including those here in Missouri--belong to The Wildlife Society.

It would be hard to overstate the value that professional societies such as yours contribute to the people of Missouri. Wildlife professionals work for many agencies of the federal government, state agencies, and universities and a number of private organizations. Many times they're able to find ways to incorporate wildlife needs into private and public plans for an area and substantially increase the overall benefits.

Increasingly, we see an understanding of the important role of wildlife to the economics of private owners, as well as to the optimum management of public lands. Yet many times the influence of a professional wildlifer is barely visible to those not intimately familiar with on-going plans and programs.

Returning for a moment to my perspective on Missouri, during the 37 1/2 years that I worked for the Forest Service, I've not been stationed in Missouri. But I have returned here frequently. Sometimes I've hunted and fished, and other times I observed wildlife. It's obvious that Missouri has made a remarkable recovery during the last 50 years.

Recently, I was given a copy of a national publication by the Wild Turkey Foundation, for example. It showed an excellent distribution of turkey in Missouri, with hunter success improving each year. The same can be said of deer, as well as other game and nongame animals.



To be sure, there remain substantial problems. My brother, who lives in Brookfield, used to complain to me about the clearing of hardwoods to plant crops that were already in surplus, but were still being subsidized by the government. Fortunately, USDA programs are being restructured to prevent incentives to produce what we don't need.

Three years ago, a conservation conference was held on Peter Myers' farm near Matthews, Missouri. That conference built a strong foundation for the Conservation Reserve, which holds substantial promise for improving conservation of natural resources while also reducing government costs for commodity programs.

The wildlife community was one of the earliest and strongest supporters of the Conservation Reserve, which makes sense to conservationists, private landowners, and the public at large.

This means that we should continue to see substantial progress in Missouri in the conservation of natural resources. As you begin your second 50 years, you not only can look back on remarkable accomplishments in the past, but on substantial opportunities in the future. The wildlife profession is relatively young and many of you got in on the ground floor. Let me sincerely congratulate you on the achievements of the past. But, also, let me challenge you to look to the future and the opportunities it holds.

I have always believed that, as resource professionals, we have a responsibility to ensure that natural resources are used wisely to benefit us not only today, but for generations to come.

As a retiree, I expect to continue an active interest in natural resources, and I hope to find even more time to visit my favorite locations in Missouri and to enjoy the results of your stewardship. As I do, I will say thanks to the Wildlife Society and to others who have restored forests and wildlife in Missouri in my lifetime!

## THE CHALLENGE OF CONSERVATION

I'm delighted to be with you today. As most of you know, I have recently retired after a 37-year career with the Forest Service. I will make no secret about it, they were happy years. And I took great pride in being at the helm as Chief for more than seven years. So far, I'd have to say the only thing better than being Chief is being the Retired Chief. I still get to speak to groups such as this on occasion, but I no longer have the day-to-day problem-solving responsibilities. Dale Robertson has inherited those. I have great confidence that he will do well.

Capitalizing on my new status, I intend to invoke an exemption from sticking strictly to the suggested outline provided to the speakers. I will briefly discuss grazing in wildernesses and some of the other suggested topics. However, in the time I have today, I'd like to share some broader thoughts about wilderness that are important to me; thoughts that I hope are also important to you.

Even though I've hung up my spurs, I intend to stay active in natural resource management. I think we all have a moral responsibility to be stewards of the land--to contribute to a land ethic that allows for wise use. That has been a theme I stressed for the last several years, and it's going to continue to be an idea I stress.

Aldo Leopold, who is generally acknowledged to be the father of modern wildlife management, and someone who carried the value of wilderness near his heart, had a unique view of developing a good land ethic. He said:

"We abuse land because we regard it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use it with love and respect."

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Comments prepared for delivery by R. Max Peterson, Retired Chief, Forest Service, U.S. Department of Agriculture, to the Society for Range Management, Boise, Idaho, February 9, 1987.

In my remarks today, I'll often refer to Aldo Leopold. His work influenced my thinking. As I mentioned, the topic being discussed--wilderness land management--was important to him. It's important to me, too.

In his book, Sand County Almanac, Leopold said:

". . . conservation of wilderness is self-defeating, for to cherish, we must fondle, and when enough have seen and fondled, there is no wilderness left to cherish."

I am not as pessimistic as he seemed to be when he wrote that, but managing wilderness does present challenges. And I think he raises an important question: How do we provide for use of wilderness without violating its very nature?

The Forest Service has been an advocate of wilderness since 1924, when we administratively established the Gila Wilderness on the Gila National Forest. I feel fortunate that I was Chief during the period when more than seven million acres of National Forest System land were added to the National Wilderness Preservation System. A question naturally arises: How much wilderness do we need?

I don't think there is a definite answer to that. This will be determined by all of the U.S. through their representatives in Congress. I will say that 114 of the National Forests now have at least one wilderness, so it is an important part of Forest Service management. And I believe it is important to have a diversity of ecosystems represented in the National Wilderness Preservation System. Without disregarding the question of how much is enough, perhaps it is time we start focusing more on questions of how to best manage this important resource.

Unfortunately, much of the public dialogue about wilderness has been substantial controversy as to what areas should be designated, rather than how to best manage what we have. The conference we had here at the University of Idaho a few years ago was one of the exceptions to that statement. It dealt constructively with both the theory and practice of wilderness management. Out of that grew an action plan which is very helpful.

The responsibility of establishing wilderness areas falls primarily on government-managed land, but the responsibility to care for wilderness rests with all people. It is not a job just for recreation managers or research scientists. It is a job that includes ranchers, range scientists, biologists, hydrologists, foresters, and many others. It's also important that all citizens, including range permittees, wilderness user groups, wildlife interest groups, and others, take an interest in wilderness management.

One way to do this is by providing input concerning wilderness management through the forest planning process. Forest Supervisors encourage citizen participation in the major decisionmaking processes, so I encourage you all to become, and stay, involved.

One of the reasons I have looked forward to speaking at this meeting is because this is an interesting, diverse group. I'm sure if we took a poll, we'd find a broad cross-section of opinions about the value of wilderness. I'm equally sure we'd find a broad cross-section of opinions about how it should be managed. I don't expect to change many people's way of thinking today, but I would like to share some of my personal observations with you.

One point I'd like to stress is that a wilderness component is totally in keeping with the concept of managing National Forests as multipurpose lands. Wildernesses, where natural processes are allowed to operate, provide the best environment for certain plants and animals that survive better without human manipulation. On the other hand, wilderness does not provide for the best management of some plants and animals.

Additionally, enjoying a wilderness experience has an educational component, as well as a recreational one, and I'll speak more about that later on.

Wilderness provides an important place for scientific study of unmodified ecosystems. Another purpose wilderness serves is to provide a gene pool for some plants and animals that may be needed to repopulate ecosystems when species are lost due to natural disasters. So, clearly, wilderness qualifies as part of the National Forest multipurpose management effort.

Speaking of research, the Forest Service Research program has contributed much toward quality wilderness management, and continued research is needed in this area. One short-term research project that I have long advocated is to capture the knowledge that has already come from our combined experience in wilderness management over the last 63 or so years. Other topics for wilderness research that I think would be worthwhile include:

- \* the effects of outside pollution sources on the air, water, and vegetation within the wilderness.

- \* the impacts of human interaction on natural ecosystem processes; and

- \* the impacts of grazing on natural ecosystem processes.



This last topic is, of course, one of the more controversial. As you know, the Wilderness Act and its legislative history guide the Forest Service management of wilderness. Grazing of domestic livestock was specifically provided for in the Wilderness Act. Subsequent to the Act, Congressional Grazing Guidelines were developed and incorporated into recent wilderness laws. These guidelines are now firm direction for management of grazing in all National Forest Wildernesses.

So, rather than try to answer one of the questions that was offered as material for my remarks today--"Will proper grazing management actually hasten succession to potential natural communities?"--I'll offer these comments.

The Wilderness Act directed that wilderness should be managed to allow natural ecosystem processes to operate as freely as possible. The Act did not direct agencies to manage wilderness toward a "potential community" or "a point in time." The question should be: "Will proper grazing management harm or aid natural ecosystem processes?"

At this time, I believe we don't know the answer to that question. Most of us think that under specific conditions it will have specific effects, which may be harmful or beneficial. I think we must have more research before final conclusions can be offered on particular situations. We need to continue to apply proper grazing management under the congressional guidelines and monitor the effects.

Another question that was posed to help me focus my thoughts for this discussion was: "Will the designation of a wilderness area actually increase human effects on the environment?"

I believe, with proper management, the answer can be "no." Recent research on this question shows that in many cases the designation of new wildernesses has not caused a significant increase in visitor use. However, many new wildernesses added to the system already have heavy use, and there are human impacts occurring from visitor use in parts of many wildernesses.

However, the Forest Service accepts the responsibility to manage visitor use in these areas, and I believe the problems encountered thus far can be handled. I do believe, though, that the Forest Service must emphasize educating the public on what wilderness is and how to visit in a manner that does not alter the wilderness character or degrade it to the point it may no longer serve the intended purposes.

A large segment of the public feels wilderness is an area left unmanaged. In fact, and let me quote directly from the law, the Wilderness Act says it should be an area that ". . . generally appears to have been affected primarily by the forces of nature, with the imprint of man's work substantially unnoticeable."

To make sure that designated wildernesses maintain their appropriate wilderness character requires management. In most cases this management can be indirect through techniques that distribute the use more uniformly. In some places, that may mean regulating how much and what type of use an area receives. And, as is true in many aspects of land management, successfully regulating use requires the cooperation of the people. An agency can not guarantee wise use through force. Public involvement and cooperation are essential. Consequently, providing the public with good information is essential.

Before I continue, I want to stress something I just did--I quoted directly from the Wilderness Act. As Chief, I stressed the need for all Forest Service land managers to periodically take out a copy of the Wilderness Act and reread it thoroughly. I would still recommend that as a good practice whenever dealing with wilderness management activities. The law is very specific in regards to appropriate activities. Additionally, I feel it is important to understand not only the letter of the law, but also the spirit and purpose of the law. Not simply the spirit of preservation, but the spirit of the wilderness as an enduring resource.

Section 2 of the Wilderness Act, the first section defining the purpose of the Act, says:

"In order to assure that an increasing population, accompanied by expanding settlement and growing mechanization, does not occupy and modify, all areas within the United States and its possessions, leaving no lands designated for preservation and protection in their natural condition, it is hereby declared to be the policy of the Congress to secure for the American people of present and future generations the benefits of an enduring resource of wilderness."

I think there are a lot of important points in that statement of purpose. One, which I won't elaborate on extensively, is our responsibility to provide future generations with the benefits of an enduring resource of wilderness, so they can enjoy what we have enjoyed. I think our obligation to future generations is an integral part of a moral land ethic.

A second point from the statement of purpose in the Wilderness Act that I do want to focus on is the notion that most people today are living in a world of growing mechanization--a world removed from the source of our food and shelter.

Let me quote from Leopold's writings again. Leopold said:

"There is value in any experience that reminds us of our dependency on the soil-plant-animal-man food chain, and of a fundamental organization of the biota. Civilization has so cluttered this elemental man-earth relationship with gadgets and middlemen that awareness of it is growing dim. We fancy that industry supports us, forgetting what supports industry."

I like to paraphrase that thought by saying land managers will face serious difficulties when people believe water comes from a tap, heat from a furnace, and milk from the milkman.

During my time as Chief, many of our people told me they were surprised about the amount of controversy and litigation that surrounded their work. They thought their jobs would allow them to operate in relative calm. I'm sure some of you who work outside of government have encountered the same thing. Well, maybe Leopold was on to something.

One hundred years ago, less than seven percent of the U.S. population was classified as urban. Today, more than three-fourths of our population live in an urban environment, cut off from a true awareness of the man-earth relationship. Providing for a wilderness experience is a crucial part of the educational development of our urban population. And perhaps, as more people are educated in this regard, your jobs will become less controversial.

I'd like to recap some of the points I've made. First, I mentioned the need for all of us to contribute to a land ethic--an ethic which would provide for wise use of multipurpose lands. I believe that one of the wise uses of multipurpose lands is wilderness.

I've also stressed the need to manage wildernesses--we must be more than preservationists. I have stressed that the Wilderness Act, and subsequent acts, must guide wilderness management direction.

I have taken this opportunity to once again make it plain that I believe the Forest Service Research program has much to offer to help us better understand wilderness management questions.

By quoting from the Wilderness Act, I've tried to focus on a couple of points that I think are important:

One, we have an obligation to provide future generations with the opportunities we have to enjoy wilderness; and

Two, people have become dangerously far removed from the earth-man relationship that provides our subsistence. Resource managers will have difficulties gaining support for their programs from people who have little knowledge of how our actions affect their environment.

I have enjoyed my visits to the Society for Range Management over the years, and I'm glad I could visit with you today. I hope to stay involved in resource management, and I hope I'll continue to run into my friends at gatherings such as this.



During this discussion, I've often quoted from Aldo Leopold's writing, so I'd like to end with one of his statements. It was a comment he made to urge us all to work harder for sound land management. I hope each of you will see his words as a personal challenge--a challenge that can prevent you from slipping into complacency. He said:

"The practices we now call conservation are, to a large extent, local alleviations of biotic pain. They are necessary, but they must not be confused with cures. The art of land doctoring is being practiced with vigor, but the science of land health is yet to be born."

U.S. Department of Agriculture  
Forest Service

**FEDERAL TIMBER TAX REFORM--THE PROBLEMS IT PRESENTS AND THE  
CHALLENGES WE MUST FACE**

I am delighted to be back at Duke. I was here about a year ago (February 28, 1986) as part of the Distinguished Visitors program and talked about what the future might hold. As I recall, my talk that day did not contain a lot of definitive statements. Since my crystal ball is no more dependable than anyone else's, I hedged most of my bets when I talked about what life would be like in the year 2000. The one unequivocal statement I did make was that we can be sure that the future will hold many surprises. I'm pleased to report that I was quite accurate in that prediction!

Since that time, there is a new Chief of the Forest Service--Dale Robertson--and a new Chief Emeritus--me. That surprised many people, but I can assure you that, from my perspective, it has been a pleasant change. I've stayed busy representing the agency at some interesting national and international events, including a recent trip to China and a visit to Algeria. Dale, meanwhile, has had to deal with some of the most complex management problems any CEO has to face.

Another change which few people predicted a year ago was the passage of the massive Tax Reform Act of 1986 in its present form. That act produced the most extensive revision of the Internal Revenue Code in more than 30 years. The impacts of the revision are beginning to be felt by all taxpayers, especially members of the forestry community. We will all benefit by learning as much as we can about how the tax law changes affect us. George Dutrow has done all of us a service by assembling these seminars on "Growing Trees and Growing Taxes".

As keynote speaker, one of the first things I want to do is recognize the number of experts who will follow me. Because of this, I don't want to get into too much detail on any one aspect of the law. Rather, I will try to paint an overview of the problems and challenges we face.

You should also understand, that, because almost everyone who is considering investing in a business is in a different circumstance, no single analysis of the impacts of the new law will fit everybody.

Discussing the impacts of the federal Tax Reform Act reminds me of an old story about playing poker. If there are six people in a poker game, to hear them tell about it, five are losing, and one is breaking even. Just like in a poker game, as we discuss the impacts of the new tax code it's hard to find the winner because almost everyone wins some and loses some. Many players do not talk about their winnings as readily as their losses.

For example, one of the main objectives of the law was to reduce tax rates for most people. It did that.

Another objective of the law was to simplify the tax code. It did that in some ways. For the estimated 6 million people who will be removed from the tax rolls, the new code simplifies their tax situation. And a large number of people will find it no longer pays to itemize deductions, so, for them, the new code may simplify their tax situation. However, for many others, the new law does not simplify their tax situation. In fact, the code now occupies two volumes instead of one, so the simplification objective wasn't fully realized.

A third objective of the tax reform was to reduce or eliminate tax shelters so the value of an investment is based on its ability to provide an economic return rather than on its tax benefit implications. There were a lot of tax shelters which reduced Federal revenues. Some people see tax incentives which others receive, such as capital gains, as tax dodges and loopholes. One person's loophole is another's critical investment incentive. The new law does eliminate many shelters, such as most investment tax credits, long-term capital gains, and accelerated depreciation. Most of these changes were hurtful to most owners and investors in forestry.

Unfortunately, a considerable number of people in Washington, including members of Congress, felt that special treatment for timber was too costly and not broad-based enough. This was not the first time that tax reformers zeroed-in on timber. However, special long-term capital gains rates were eliminated for everyone. If timber had retained special treatment, that could be seen as granting privileges to a small group. Small groups usually are not given preferential treatment by members of Congress. In the case of timber, I think that's unfortunate, because the long-term capital gains provisions are especially important for timber, which has a long growing period before it can be harvested.

Just judging from these three objectives--to reduce rates, to simplify, and to eliminate tax dodges--I think it's safe to say that the tax reform effort didn't realize all of its goals. I'm sure most of this seminar will be devoted to understanding the problems we face from the changes in the tax code, but I'd like to discuss some positive aspects to the change also.

I mentioned previously that the new law lowered tax rates for most people, so that has to be seen as a positive aspect of the new law. Another positive aspect is that by removing most tax shelters, most investment credits, and rapid writeoffs, especially in the area of real estate investment, the revisions leveled the playing field for most players. Now investment opportunities will have to be measured on their own merit, and that's probably good, especially in good timber-growing regions like here in the South. There, timber will be a relatively good investment in relation to other opportunities because it can provide good economic returns, particularly in the long term. A look at worldwide supply and demand for timber indicates a continuing long-term increase in demand.

Another positive aspect of the Tax Reform Act is that it may help stabilize the investment climate. Because of the massiveness of the 1986 reform, Congress is not likely to make substantial changes in code provisions soon. However, postponement of scheduled rate decreases is a possibility, and we can be sure there will be technical corrections to which we'll have to adjust. Nevertheless, the tax climate should be relatively stable. I should warn all listeners, though, that Congress is highly unpredictable, especially regarding taxes.

The retention of the 10 percent investment tax credit for reforestation and the 7-year amortization for reforestation costs, which were first introduced by Senator Packwood of Oregon, is certainly a positive aspect of the revised code. Retaining the investment tax credit for timber is especially beneficial for the small wood lot owner. And, as a result, other parts of the timber industry may benefit from an increased timber supply from small lot owners.



Another positive aspect of the Tax Reform Act, at least for most corporations and active businesses, is that the new law retained the old law's treatment for deducting timber management costs in the year they are incurred. However, some limitations will be imposed by the new passive loss rules. The regulations have not been written yet for these rules, so we can't be sure exactly what the impacts will be. There is some question as to how the term "material participation" will be defined in the new regulations. The wording contained in the House/Senate Conference Committee Report is encouraging for timber owners, though.

The report points out that a low level of activity is adequate to meet the "material participation" standard, if that level of activity is all that is required by the nature of the business.

As a long-time advocate of a strong land use ethic, I see an additional silver lining in this part of the tax reform act that requires "material participation"--people may pay more attention to their land. A wise, old farmer once said that the best fertilizer is the tracks of the owner's boot heel on the land.

There is one more positive aspect of the new law which I'd like to mention, and that concerns the price of land. Land prices have been artificially high because owners were able to offset paper losses against ordinary income, and then use capital gains, when the land was sold, to reduce taxes due to increased land prices. Changes in the tax code related to "passive activity" and repeal of special treatment for capital gains will effectively eliminate such speculation, which leads to artificially high land prices.

Let me turn now to some of the problems and challenges we face because of the tax code reform. The first challenge we face is to understand the new rules. This has been made more difficult by the fact that the Treasury has not yet published all of the regulations.

Seminars, such as this one, can help us meet that challenge, and a new publication, which is being developed as a joint project with the Forest Service and the Forest Industries Committee on Timber Valuation and Taxation, does a good job of explaining changes made by the Tax Reform Act.

A corollary of the challenge posed by understanding the new rules is that the changes directed by the Act occur over several years. The rules for 1988 are different than for 1987; those for 1989 are slightly different than for 1988; and this continues for several more years. That means it's more difficult to make decisions regarding the timing of investments, because each year's laws must be considered.

A second challenge we face is to help investors sort through the changes so they can make informed decisions. Since the Reform Act changes rules across the board, it'll take investors some time to sort out new investment options. We can't afford to wait. The reduction of interest rates in the last year has resulted in renewed interest in long-term investments. When the dust settles, it's highly probable that some investors, who had not previously considered investing in timber, will consider it. We have to encourage them to act now.

The opposite side of that coin is that investors, who previously saw the benefits of long-term capital gains, which will now be taxed at ordinary rates, may look to other investments.

Despite the benefits lost, timber is still an attractive investment opportunity for some people. The demand for timber is still projected to increase; timber is still an investment where capital can grow without being heavily taxed; and it still can provide a hedge against inflation.

We should get this information out to potential investors. The article by Bill Siegel in the current issue of "American Forests" magazine provides some good, concise, easy-to-understand material, and the paper, which I mentioned previously, that was done by the Forest Service and the Committee on Timber Valuation and Taxation is also helpful.

Another challenge we face is that it has long been recognized that investment in forestry has some unusual risks, such as loss from fires, insects, and diseases. Unfortunately, attempts to develop a firm actuarial base for such risks--a base that could be used by insurance companies--haven't been completely successful yet.

Mike Vasievich did some excellent work assessing the risks for forestry investments when he was here at Duke. In my mind, developing forestry insurance remains a high priority, particularly for the benefit of the small investor.

A fourth potential problem revolves around changes in the tax code relating to real estate. Provisions in the old tax code provided incentives for building construction. The substantially longer depreciation periods called for in the new law-- for example, the depreciation period on rental residences is going from 19 years to 27-1/2 years and on nonresidential property from 19 to 31-1/2 years--may result in a reduction of building construction activity. In turn, that may cause a decline in demand for timber, though that's far from certain. If the demand for timber drops, the price for timber may drop, and investors who are looking at current prices for timber may get discouraged.

Another implication of the changes in the tax code presents an interesting challenge. I'm not sure "problem" is the correct word, but I suppose that depends on what type investor we're discussing. I'm referring to the fact that changing tax rates may have shifted the equilibrium between profit and nonprofit investors.

Reducing the tax advantages for timber investments, such as capital gains rates, could put nonprofit investors, such as pension plans, in a relatively more favorable position. It remains to be seen if this will stimulate greater timber investment from this well-financed sector that is looking for sound long-term investments.

Finally, for my discussion, a problem we face because of the new tax code concerns the loss of income averaging. This is especially detrimental to the small lot owner who has substantial income from timber harvests in one year and relatively low income in other years--an ideal situation for income averaging. The loss of income averaging puts the owner in an inflated income bracket in harvest years, and the loss of capital gains advantages means that the income from a timber sale is treated as ordinary income. This compounds the financial problems for the land owner.

The good side of this story is that there will be only two tax brackets. Therefore, income averaging would not produce the benefits it did under the old code. Working within the new tax structure, we must find ways to diffuse the boom/bust income cycle of the small lot owner. Perhaps use of installment sales or deferred payments will become more common.

Well, I think my litany of problems and challenges has gone on long enough. Of course, I haven't covered all the problems we face under the new tax code, but I've mentioned some of those that are of great concern to me. During the rest of this seminar, many others will be discussed.



Despite the note of gloom surrounding the changes and their effect on the timber industry, I remain optimistic that we have the creativity and initiative to rise above it all. The Tax Reform Act of 1986 will probably produce the largest number of tax challenges the timber owner and timber industry has had to face since the federal income tax law was instituted in 1913. We can only hope that this major overhaul of the tax code will reverse the trend toward ever-more-rapid, piecemeal changes in the tax code. Then we can establish sound business and resource management practices that will allow us to meet the challenges.

This conference is an important and impressive step in the right direction. I think the upcoming agenda is excellent, and I believe the results of this conference will make an important contribution to our understanding of how to cope with the changes.