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Subseries:

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Folder Title:
Forest Conference-Briefing Book [binder]

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White House Environmental Official McGinty Has Clout to the Dismay of Some Oil Executives

By TIMOTHY NOAH

Staff Reporter of THE WALL STREET JOURNAL
WASHINGTON — The day after President Clinton proposed his broad-based energy tax, a group of oil executives was ushered into the White House to be briefed by an administration eager to soothe. But when it was over, the 29-year-old official who presided had left some of them even madder.

The aide, Kathleen McGinty, was asked at the meeting why the energy tax on oil would be more than double the rate for coal and natural gas. Her blunt response was that oil imposes unique environmental and national-security costs on society. Afterward, some of the oil executives complained that listening to her was, as one put it, like listening to a college freshman.



Kathleen McGinty

What Ms. McGinty lacks in political tact she more than makes up in clout. Known to the president (and virtually everyone else) as "Katie," Ms. McGinty heads the new White House Office on Environmental Policy, which is quickly shaping up to be President Clinton's—and, perhaps more importantly, Vice President Albert Gore's—main clearinghouse on environmental matters. As such, she is one of the most powerful of the White House's "youth brigade" of 20-something policy aides.

It is not a pleasing prospect for some in industry, who view her as lacking in experience. "Katie McGinty is a cloistered acolyte of Al Gore," complains Kent Jeffreys, director of environmental studies for the Competitive Enterprise Institute, a pro-market group, partly funded by industry, that battles frequently with environmentalists. "She has no background or experience."

Mr. Gore, for whom Ms. McGinty previously worked as a Senate aide, praises Ms. McGinty's "great knowledge of the full range of environmental issues and the economic dimensions of environmental issues."

She sits on the National Security Council, the National Economic Council and the Domestic Policy Council, and could well play a more influential role on the environment than those who head the Environmental Protection Agency, the Interior Department and the Energy Department.

It is Ms. McGinty's office—not Interior—that is taking the lead in preparations for this week's "forest summit" in which environmentalists and timber industry executives will attempt to hash out their differences in discussion sessions to be attended by the president and vice president. She is also playing a key role in an NSC-directed comprehensive review of U.S. global environmental policies, which is expected to be completed next month.

Already, she has access that most cabinet secretaries can only envy; she talks to Mr. Gore at least once a day, and is said to meet frequently with the president.

Just recently, Ms. McGinty and Mr. Gore scored a major victory over the State

President Clinton decided against appealing a federal appeals court decision that for the first time extended jurisdiction of U.S. environmental law beyond U.S. borders. The decision concerned Antarctica, an international zone, but State, Defense and Justice argued that if unchallenged it could lead to broader applications on the high seas, in outer space and in other nations.

Ms. McGinty, who trained as both a chemist and an attorney before joining then-Sen. Gore's legislative staff fresh out of law school in 1989, is greatly respected by environmentalists. Liz Barratt-Brown, a senior attorney for the Natural Resources Defense Council, praises her intelligence and especially her unflappability, "which amazes me given how much pressure she has on her now."

Ms. McGinty has also won the respect of at least some industry figures. Isabelle Claxton, a lobbyist at Merck & Co., says Ms. McGinty offered strong support to negotiations Merck conducted with environmentalists and other drug firms over the international biodiversity convention, a treaty as yet unsigned by the U.S. placing guidelines on the commercialization of plant and animal life.

Thus far, however, Ms. McGinty has shown a greater mastery of environmental issues than of the politics surrounding them. The environmental group Greenpeace, for instance, is mad that she wouldn't meet with its protesters after Mr. Gore issued—and then backed away from—a written pledge that the Clinton administration would block the test burn of a hazardous waste incinerator in East

Liverpool, Ohio. Rick Hind, a legislative analyst at Greenpeace, accuses the administration of "deserting" its allies on the matter.

Then there is the meeting with oil interests over the energy tax. Not everyone blames Ms. McGinty for the hostile tone that quickly developed. Tony Sanchez, chairman of Sanchez-O'Brien Oil & Gas Corp., a Houston-based independent exploration company, says the real fault lay with Charles DiBona, president of the American Petroleum Institute, who insistently peppered Ms. McGinty and others present with skeptical questions about how the tax would work. According to Mr. Sanchez, Mr. DiBona was "rude" and made "sly remarks" at the meeting. "I thought it was very unbecoming," he says.

Mr. DiBona denies he behaved disrespectfully, saying only that he asked "a number of very direct questions" that Ms. McGinty and other administration officials had difficulty answering. Since the meeting, he says, the administration has modified its proposal in certain ways to address some of his concerns.

But he and his group were excluded, along with Mobil and a handful of other companies, from a subsequent administration meeting with oil-industry officials on the tax. An administration source says the decision to exclude them was made at the White House, but not by Ms. McGinty.

Asked about the omission, Ms. McGinty insists that Mr. DiBona and the others are all welcome. "It's only a matter of them picking up the phone and coming by," she says.

THE WALL STREET JOURNAL THURSDAY, APRIL 1, 1993

PHOTOCOPY
PRESERVATION

E. Kimbark MacColl

"An Historical Perspective"

Comments Presented to the White House Forest Conference
Portland, Oregon
April 2, 1993

Forty-three years ago, Fortune Magazine proclaimed that "Happiness is pursued in the Northwest with a certain calm simplicity that is rare in America." I doubt that such words would be repeated today, given the heated and complex problems this region is currently facing, not the least of which is the quintessential environmental issue of the 1990s: the old growth debate.

Over the past 150 years, Northwesterners have viewed themselves as different from those who elected to migrate to California. In fact, Oregonians have often defined their character in contrast ^{distinction} to Californians, who have generally been resented while their money has usually been welcome. To the pioneers of the 1840s, the Oregon-Washington region was perceived as the "Garden of Eden," even though some who struggled to get here found that Eden had already left.

Peter Burnett, who became the first governor of California, later wrote "I never saw so fine a population as I saw in Oregon most of the time I was there [from 1843 to 1849]." To Burnett, "Oregonians were all honest, because there was nothing to steal; they were all sober, because there was no liquor to drink; there were no misers, because there was no money to hoard; and they were all industrious, because it was work or starve." Do these words carry a familiar ring? Most Oregon settlers were plain, reasonably well educated white people of moderate circum-

stances who were primarily interested in seeking and building a home.

I am sure many of you have heard the oft-told apocryphal tale of those Oregon Trail survivors who arrived at Fort Hall, Idaho, where the ^{Northern} California cut-off branched south. An arrow pointing north marked "Oregon." Those who could read came on to Oregon, while the rest headed to Nevada and California. As Fortune concluded, "the Northwesterner has long held the feeling that beauty is wasted in California, that it is not appreciated as in the Northwest." But the historical record would indicate that beauty per se was not what pioneer Northwesterners were primarily seeking. They desired a new life with new opportunities. They would not today qualify as nature lovers. To them, nature was an obstacle, a rough world to be tamed, a wilderness to be cleared. Trees were barriers, or when felled, stumps in the farmer's or city builder's way.

Tree stumps symbolized prosperity to 19th century Pacific Northwesterners, because felling trees was often associated with activities that connoted growth and progress. Railroad mogul James J. Hill once quipped to a group of Northwest businessmen that he had seen only four stumps in the Puget Sound area without a town name attached.

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~~ted permanence while the absentee timber owners simply treated the region as a colony to be exploited. They came to cut and get out!~~

Over the past 50 years or so, the relationship of Northwesterners to the varied natural environment has been a key theme, with the old growth debate simply the culmination of years of ~~WORKING~~ neglect, mismanagement, and exploitation of the natural habitat. When I arrived in Oregon 40 years ago, it never dawned on me that our natural resources were limited. Here was the promised land with its boundless natural wealth in timber, farmland, water, wildlife and fish. The realization that such resources are limited and all related within the ecosystem has caused much of the frustration and anxiety we currently face. We feel helpless because we cannot control our own destinies. There appears to be little that the individual can do to make the Oregon dream a reality.

To the lumbermen, most of whom came from the East and Midwest in the latter years of the 19th century, after they had exhausted their homelands, here was a vast continent to be settled, limitless resources to be exploited and infinite wealth to be created. Thousands upon thousands of acres, the very cream of the timber claims in Oregon and Washington, were secured by these entrepreneurs, ~~and many of the claims were fraudulent.~~

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The largest landowner of course is the federal government, with over 30% of Washington State and more than 50% of Oregon.

The fact that this ownership has helped to save the forests is one of the reasons, until recently at least, that the federal presence has not been resented. It is also the reason that the valuable federal holdings are now the center of the biggest battle ever fought between the environmentalists and the lumber industry. Oregon surpassed Washington in 1938 as the number one lumber producing state in the country. ⁴ ~~One problem~~ ^{ISSUE}, unique to Oregon, relates to the Oregon & California Railroad lands, or the O & C lands, which are the remainder of the ~~public~~ ^{public} lands originally granted to the railroad in 1869. ~~Twenty-five~~ ^{31%} percent of all timber receipts are ~~granted~~ ^{distributed} annually to 18 Oregon counties in lieu of property taxes the lands could earn. About half of the revenue comes from forest service lands, with the remainder from those lands administered by the BLM. These revenues have been crucial to balancing the budgets of many counties like Lane and Douglas. Lowered timber sale receipts mean less funds for county operations.

The lumber industry has always been plagued by a boom and bust cycles. It has also faced ruinous competition, overproduction, market chaos and dependence on railroads for shipment to market. During the 1920s, the problems of oversupply and low prices in a very fragmented industry, initiated movements to merge the smaller fir timber companies in an effort to stabilize the industry. The merger movement culminated in the 1950s and 60s when corporations like Georgia Pacific and Champion Paper acquired many smaller companies, from Arkansas to Oregon and

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Concern about overcutting was slow to develop. In 1927, Oregon's leading banker, John C. Ainsworth, warned: "Something surely must be done before long to prevent the wholesale slaughtering of our timber." Few listened! Reforestation became acceptable only in the past 30 to 40 years. Until that time, and even in more recent years, settlement became the accepted way to salvage logged-off lands. And it has only been since the mid-1970s that a concerted effort has been mounted to save the old growth, and very quietly at that in its earliest years.

~~The historical record is quite clear. Logging has been excessively fast. From 1980 to 1985, timber harvests were 61% greater than growth! What does this say about sustained yield programs?~~

The historical record is not a pretty one and all parties must bear some of the blame. We see today longstanding, misguided federal policies with little coordination between the federal agencies and between ^{the federal} ~~them~~ and the state agencies. Intense political pressures have played a detrimental role, and outmoded

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Speaking for Oregonians, as we try to resolve some of these issues, I can say that we have always been a moderate, pragmatic people. We have usually tried to seek consensus. Our history has been marked by caution. While we have been the most financially conservative of the Pacific Coast states, we have been the most innovative state in environmental matters. We were the first to adopt strict clean air and water laws; the first to establish estuarine sanctuaries; the first to preserve its beaches for the public, and one of the first to adopt scenic river regulation. We were the first to require deposits on bottles and soft drink and beer cans and prohibit pull tabs. Our land use law of 1973 was the most comprehensive such legislation in the country. Thus there has been a progressive tradition in Oregon, buttressed by an ethos of egalitarianism with a strong Populist influence.

This record is why I am encouraged that some sensible solutions to the present impasses will be forthcoming. History shows that logging can coexist with environmental protection, as has occurred in Germany. History also shows that in any country forests can be well managed or mismanaged. A timber-dependent community can be permanent and not transitory if long-

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Most everyone present here today will admit that present policies and practices need drastic revision. Hopefully this conference will show the way and start the process, and ^{that} calmness and happiness may again reign throughout the Northwest.

President Clinton, Vice-President Gore, members of the cabinet, Governor Roberts and Mayor Katz, I am honored to make this short presentation which has been titled "An Historical Perspective." Having just returned from two weeks in Egypt, it has not been easy to get my feet back on the ground and focus on issues of such importance, all in a matter of a few days. My comments will be confined to the regions west of the Cascades in Oregon, with passing references to Washington State and Northern California. I believe that this is the first time in Oregon history that the president, vice-president and ~~five~~ cabinet members have all visited the state at one time and in the same place.

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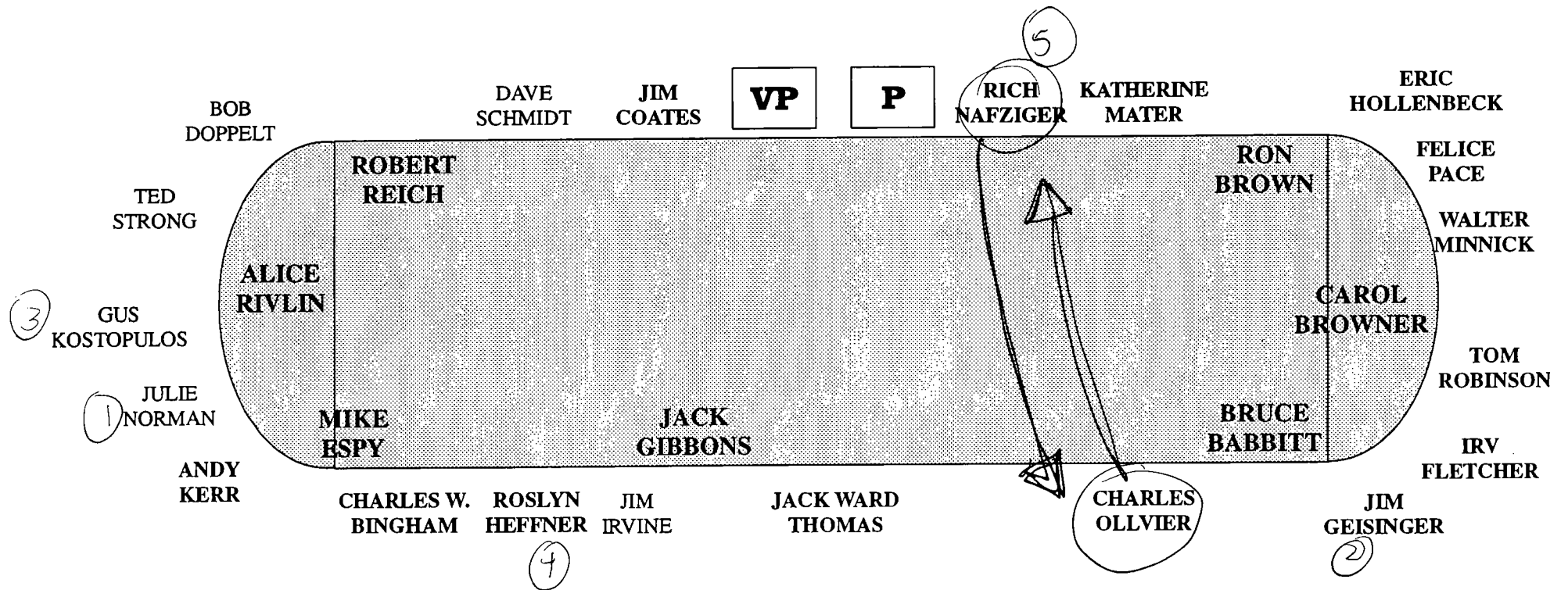
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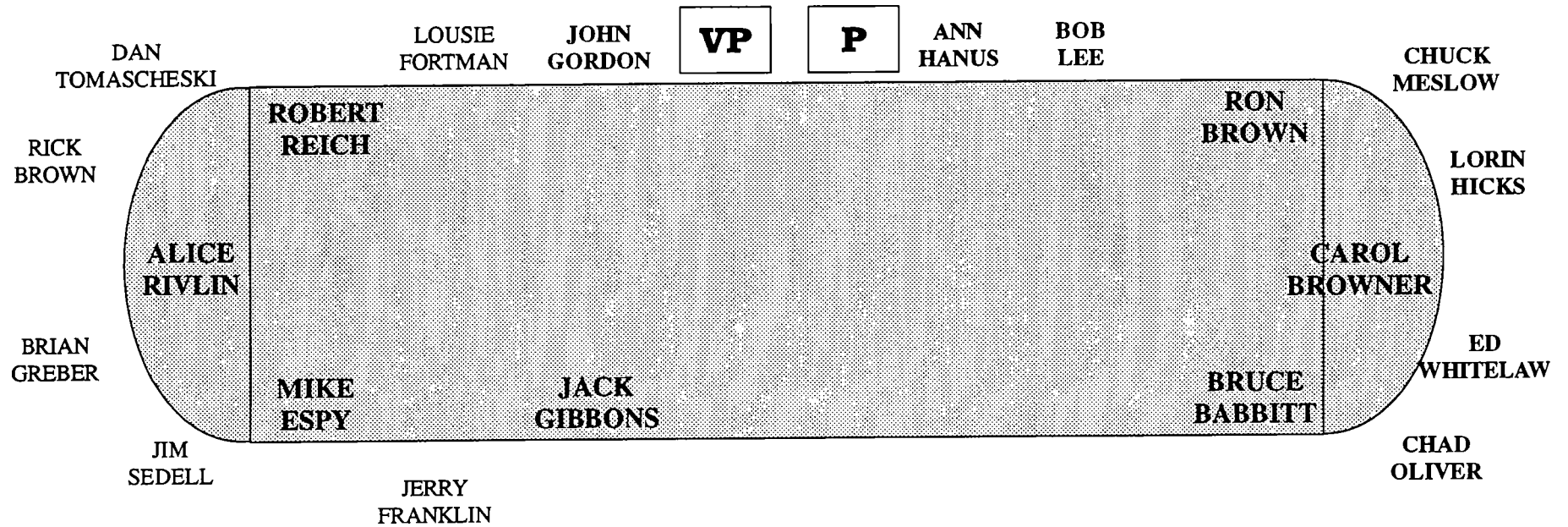
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PANEL 3



PANEL 2



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This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

OBJECTIVES

Divider Title: _____

THE FOREST CONFERENCE OBJECTIVES AND LOGISTICS

PURPOSE: The Forest Conference will provide a comprehensive forum for a broad and diverse range of views on the issues associated with the management of federal forest lands in the northwest and northern California. This is not a forum for policy making, but instead, is a forum for the issues to be examined and discussed. The President, Vice President, and Cabinet Secretaries are in Portland to listen; to listen to the people who live with these issues every day, to demonstrate the President's and the entire Administration's concern and commitment to change the status quo. It's important to note that we consciously decided to allow only people from the region to participate in the roundtables -- there will not be any Washington, D.C. representatives speaking.

Specifically, the Conference will:

- o Enable the President, Vice President, and Cabinet Secretaries (Espy, Babbitt, Reich, R. Brown, Browner), OMB Deputy Director Rivlin, and Science and Technology Advisor Gibbons to learn about forest management and local community dependence on the forest industry first hand, from the people who live in this region;

- o Identify opportunities for innovative solutions to forest management, alternative economic development, and displaced worker assistance;

- o Provide the President with a strong public opportunity to direct Cabinet officials to work together to develop a comprehensive, long-term, and balanced plan. (In the closing statement to the conference)

The most important message we can deliver must focus on BALANCE: on a long-term, comprehensive policy that recognizes the importance of forests and timber to the economy and jobs in the region as well as the importance of America's precious old growth forests that, once they are destroyed, are gone forever.

THE AGENDA:

ROUNDTABLES: Essentially, the conference is three roundtables, one before lunch and two after lunch. Each will work in basically the same way. First, the President will introduce, one at a time, the four - six individuals (depending on the panel) who will give brief, three minute statements. Then, the President will open the discussion, much as the Economic Conference proceeded. **NOTE:** The second roundtable will operate a little differently -- While all of the participants will be seated at the table, in fact, there will be two sets of presenters, first, three people will speak on forest ecology, followed by a discussion of these forest ecology issues. Then, two people will speak on economic and social issues, followed by a discussion of economic and social issues.

AGENDA

WELCOME FROM PORTLAND MAYOR VERA KATZ OREGON GOV. BARBARA ROBERTS (10 mins)

OPENING STATEMENTS FROM PRESIDENT AND VICE PRESIDENT (20 mins)

HISTORICAL PERSPECTIVE (15 mins)

Kimbark MacColl from the Oregon Historical Society will speak to the history of these issues and the region's development.

ROUNDTABLE 1: WHO IS AFFECTED AND HOW? (90 mins)

PURPOSE: This panel will focus on the human impact of the controversy. It is intentionally the first panel to demonstrate to the people in the region our concern for the circumstances and pressures they face. Expect a wide range of perspectives and an equally wide range of 'facts' on everything from jobs lost to environmental impacts. This will be the most emotional of the three panels.

PRESENTERS: **Mike Draper**, from the United Brotherhood of Carpenters, Western Council of Industrial Workers in Portland is the first speaker. He was very helpful during the campaign and has been helpful throughout the planning of this conference. As most forest industry workers are, he is deeply concerned about the impact on jobs. **Diana Wales**, a local attorney from Roseburg, OR, follows. Roseburg is one of the most timber dependent communities in the region. Her brother-in-law was laid off from his mill job but she remains a committed environmentalist, sensitive to community concerns but believing the people in the region are in denial. **Bob Spence**, the President of a lumber company in Seattle, is a small timber owner who thinks big. He is soft-spoken, but creative. **Patricia Lee**, runs an inn in Steamboat, OR, and is creating a 650-acre ranch as an environmental education center. **Archbishop Thomas Murphy**, is a Catholic Bishop from Hoquium, WA, who has long been involved in these issues.

PANELISTS: The remainder of the panelists represent a similarly broad range of views -- there are loggers, environmentalists, representatives of timber and non-timber related industries, and a member of the Hoopa Tribe from Hoopa, CA. This roundtable will include Nadine Bailey from Hayfork, CA. Her daughter participated in the ABC Town Meeting for Kids.

LUNCH BREAK (45 mins): The President and Vice President will return to their holding rooms for lunch.

ROUNDTABLE 2: ECOLOGICAL AND ECONOMIC ASSESSMENTS (90 mins)

Purpose: This panel will feature experts from public, private, academic, and non-governmental organizations to discuss the technical issues -- economic, environmental, and sociological, involved in forestry and forest related economics. In essence,

though these participants bring different opinions, this panel serves as a kind of "truth squad" of experts who deal in science and economics and sociology.

REMINDER: This panel will work a little differently than the other two in that the first half will focus on forest ecology issues with three presenters speaking, and the second half will focus on economic and sociological issues, with two presenters speaking. That is, the three forest ecology presenters will speak, then these issues will be discussed. Then, the two economic/sociological presenters will speak and these issues will be discussed. The roundtable is composed of forest ecology and economic experts.

Presenters: **On Forest Ecology issues:** **John Gordon** is a Professor at Yale's School of Forestry Management who spent the majority of his career at Oregon State University. He was a member of the "Gang of Four" the team of scientists who studied forest management issues and alternatives for the House Agriculture and Merchant Marine Committee. **Lorin Hicks** is a wildlife biologist at the Plum Creek Timber Company in Seattle who also was a contributing author of the Spotted Owl Recovery Plan, the Bush Administration's Department of Interior plan, never implemented, for the owl. **Chuck Meslow**, is Director of Interior's Fish and Wildlife Service Cooperative Unit in Corvallis, OR and a research biologist and professor of wildlife ecology at Oregon State. He was also a member of the Scientific Analysis Team that, in March, submitted its report to the court.

On Economic and Sociological issues: **Brian Greber**, a professor from Oregon State University in Corvallis, has done research on forest product markets and regional economics. He has been an advisor to several federal task forces, including the "Gang of Four" and the Endangered Species Committee; **Louise Fortmann**, a Professor at the University of California in Berkeley, is a rural sociologist who has focused on environmental protest and community well-being. She has conducted major ethnographic and statistical analyses in the region.

PANELISTS: The panelists are scientists, economists, and experts from business, government, and non-governmental organizations (such as the National Wildlife Federation) experienced in researching the environmental, economic, and human costs of our forest management policies.

BREAK (15 mins)

ROUNDTABLE 3: WHERE DO WE GO FROM HERE? (75 mins)

PURPOSE: This panel focuses on new and innovative ideas for forest management and economic development -- as a way to bring people together instead of continuing the polarization. It will address forest management and protection, how communities can change and adapt to the changing economy, and how to help workers and others who are affected.

PRESENTERS: **Julie Norman** is an environmental leader and president of Headwaters, a southwest Oregon grassroots working for federal

forestry reform through policy research, timber sale monitoring, public education, and negotiations/litigation. **Jim Geisinger** is President of the Northwest Forestry Association and a major industry spokesman. **Gus Kostopulos** is President of Woodnet in Port Angeles, CA, a networking organization promoting small, value-added forest products firms. He's a real innovator. **Roslyn Heffner** is from Vocational Counseling Service in Tualatin OR and has worked with Forest Service workers as well as with injured or displaced loggers. **Rich Nafziger** is the former Director of Washington State Timber Team. He is known and respected across the state and has spent the last four years working with communities trying to adapt to the changes. He has a very deep and practical understanding of both biological and economic issues.

PRESIDENT MAKES CLOSING STATEMENT (10 mins)

Here the President will make a strong statement, directing his cabinet to begin work on a comprehensive plan based on specific principles.

MEDIA AVAILABILITY: There is the possibility of a media availability immediately following the conference for the President, Vice President, and Cabinet.

MEETING WITH GOVERNORS (time TBA)

Following the conference (and, if it happens, following the media availability) there will be a brief meeting with the Governor's attending (Roberts, Lowry, Wilson, Andrus, and Hickel)

RECEPTION WITH MAYOR KATZ (time TBA, POTUS may not attend)

Portland Mayor Vera Katz is planning a post-conference reception for participants.

###

KEY TERMS

"Certainty" implies a legislative remedy to the current situation which will mandate that certain timber harvest levels are guaranteed and beyond legal challenge by environmental or industry groups. The guarantee may apply for a limited or indefinite period. Industry and labor groups favor "certainty"; environmentalists oppose it.

Gang of Four (Report) was prepared by four leading independent scientists (Norman Johnson, Jack Ward Thomas, Jerry Franklin, and John Gordon) to provide options for management and protection of old-growth forest ecosystems and species which depend on them. Delivered to Congress in October 1991.

ISC (Interagency Scientific Committee) was composed of leading Federal forest and wildlife scientists, and chaired by Dr. Jack Ward Thomas. The Strategy centered around protecting blocks of owl habitat called Habitat Conservation Areas (HCAs) and protecting other areas which provided suitable habitat. The ISC delivered its report in April 1990.

Old growth forest describes tracts of virgin coniferous Douglas fir-Sitka spruce forest on the west side of the Cascade Mountains. Forests attain old growth characteristics after about 200 years.

"Sufficiency" implies a legislative solution to the issue wherein Congress specifies that a particular land management strategy sufficiently meets environmental statutes, thereby circumventing judicial review. Legal "sufficiency" provides "certainty" of timber sales at a specific level. Environmentalists oppose this; industry sees it as essential.

Scientific Analysis Team consists of 24 scientists primarily from the Forest Service who prepared the "Viability Assessment and Management Considerations for Species Associated with Late-Successional and Old-Growth Forest of the Pacific Northwest." The Team's report is the most recent and comprehensive scientific assessment. Industry contends that the report is based on scientific opinion, not actual field-collected data. Environmentalists support the report because it points out the need to set aside large areas.

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AGENDA

Divider Title: _____

THE FOREST CONFERENCE

Agenda

Friday, April 2, 1993

10:30 a.m.

WELCOME

Portland Mayor Vera Katz
Oregon Governor Barbara Roberts

10:40 a.m.

OPENING STATEMENTS

President Clinton, Vice President Gore

11:00 a.m.

HISTORICAL PERSPECTIVE

Kimberly MacColl
Oregon Historical Society

11:15 a.m.

ROUNDTABLE 1: WHO IS AFFECTED AND HOW?

This roundtable will allow people from across the region to speak to how this controversy is affecting their lives.

PRESENTERS:(NOTE-each roundtable will begin with brief statements from some of the roundtable participants. After these brief statements, there will be general discussion among all the roundtable participants, including the President, Vice President, Cabinet and other Administration officials.)

o MIKE DRAPER, Executive Secretary, United Brotherhood of Carpenters Western Council of Industrial Workers, Portland, OR

o DIANA WALES, Attorney, member Audubon Society Roseburg, OR

o BOB SPENCE, President, Pacific Lumber Sales Company, Seattle, WA

o PATRICIA LEE, Innkeeper, Charter member of Oregon Trout, Streamside Inn, Idleyld, OR

o ARCHBISHOP THOMAS MURPHY, Catholic Archdiocese of Seattle

12:45 p.m.

LUNCH

1:30 p.m.

ROUNDTABLE 2: ECOLOGICAL AND ECONOMIC ASSESSMENTS

This roundtable will feature experts from public, private, academic, and non-governmental organizations to discuss the technical issues -
- economic, environmental, and sociological --
involved in forestry and forest related economics.

PRESENTERS

On Forest Ecology Issues:

- o **JOHN GORDON**, Professor, Yale University School of Forestry, New Haven, CT. (Gordon spent the majority of his career at Oregon State Univ.)
- o **LORIN HICKS**, Plum Creek Timber Co., Seattle, WA
- o **CHUCK MESLOW**, Director, U.S. Department of Interior Fish and Wildlife Service Cooperative Unit, Corvallis, OR

On Economic Issues:

- o **BRIAN GREBER**, Professor, Oregon State University, Corvallis, OR.
- o **LOUISE FORTMANN**, Professor, University of California, Berkeley, CA

3:00 p.m.

BREAK

3:15 p.m.

ROUNDTABLE 3: WHERE DO WE GO FROM HERE?

This roundtable will focus on new and innovative ideas for forest management and economic development.

PRESENTERS:

- o **JULIE NORMAN**, Headwaters, Ashland, OR
- o **JIM GEISINGER**, President, Northwest Forestry Association, Portland, OR
- o **GUS KOSTOPULOS**, President, Woodnet, Port Angeles, WA
- o **ROSLYN HEFFNER**, Vocational Counseling Service, Tualatin, OR
- o **RICH NAFZIGER**, Former Director, Washington State Timber Team, Olympia, WA

4:30 p.m.

CLOSING STATEMENT BY PRESIDENT CLINTON

THE FOREST CONFERENCE DETAILED AGENDA

10:30 - 10:35a **PORTLAND MAYOR VERA KATZ WELCOMES**
And introduces Gov. Roberts

10:35 - 10:40a **OREGON GOVERNOR BARBARA ROBERTS WELCOMES**

10:40 - 10:50a **PRESIDENT CLINTON MAKES OPENING STATEMENT**

10:50 - 11:00a **VICE PRESIDENT GORE MAKES OPENING STATEMENT**

11:00 - 11:03a **PRESIDENT CLINTON INTRODUCES HISTORIAN**
KIMBARK MACCOLL

11:03 - 11:15a **KIMBARCK MACCOLL SPEAKS**
Provides historical perspective

11:15 - 11:17a **PRESIDENT CLINTON ANNOUNCES FIRST ROUNDTABLE**
INTRODUCES FIRST SPEAKER, MIKE DRAPER

11:17 - 11:20a **MIKE DRAPER**, from the United Brotherhood of
Carpenters, Western Council of Industrial
Workers in Portland speaks.

11:20 - 11:22a **PRESIDENT CLINTON CALLS ON DIANA WALES**

11:22 - 11:25a **DIANA WALES**, an attorney from Roseburg, OR,
and a member of the Audubon Society speaks.

11:25 - 11:27a **PRESIDENT CALLS ON BOB SPENCE**

11:27 - 11:30a **BOB SPENCE**, President of Pacific Lumber Sales
Company in Seattle, speaks.

11:30 - 11:32a **PRESIDENT CALLS ON PATRICIA LEE**

11:32 - 11:35a **PATRICIA LEE**, innkeeper in Oregon who is in
the process of creating an environmental
education center for children, speaks.

11:35 - 11:37a **PRESIDENT CALLS ON ARCHBISHOP THOMAS MURPHY**

11:37 - 11:40a **ARCHBISHOP THOMAS MURPHY SPEAKS.**

11:40 - 11:43a **PRESIDENT THANKS PRESENTERS AND OPENS**
ROUNDTABLE DISCUSSION WITH FIRST QUESTION.

11:43 - 12:45p **ROUNDTABLE DISCUSSION**

12:45 - 12:47p **PRESIDENT CLOSES FIRST ROUNDTABLE AND ANNOUNCES BREAK FOR LUNCH, AND RE-CONVENE TIME OF 1:30p**
President and Vice President proceed to holding rooms for lunch.

1:30 - 1:35p **PRESIDENT RECONVENES CONFERENCE, OUTLINES SECOND ROUNDTABLE, INTRODUCES JOHN GORDON**

1:35 - 1:38p **JOHN GORDON**, from Yale University School of Forestry speaks.

1:38 - 1:40p **PRESIDENT CALLS ON LORIN HICKS**

1:40 - 1:43p **LORIN HICKS**, from Plum Creek Timber Co., speaks

1:43 - 1:45p **PRESIDENT CALLS ON CHUCK MESLOW**

1:45 - 1:48p **CHUCK MESLOW**, from USDOF Fish and Wildlife Service Cooperative, speaks.

1:48 - 1:50p **PRESIDENT BEGINS DISCUSSION OF FOREST ECOLOGY ISSUES WITH FIRST QUESTION.**

1:50 - 2:15p **ROUNDTABLE DISCUSSION ON FOREST ECOLOGY**

2:15 - 2:17p **PRESIDENT ENDS FOREST ECOLOGY DISCUSSION AND OPENS ECONOMIC, SOCIAL DISCUSSION, INTRODUCES BRIAN GREBER**

2:17 - 2:20p **BRIAN GREBER**, Professor from Oregon State University, speaks.

2:20 - 2:22p **PRESIDENT CALLS ON LOUISE FORTMANN**

2:22 - 2:25p **LOUISE FORTMANN**, Professor from University of California at Berkeley, speaks.

2:25 - 2:27p **PRESIDENT OPENS DISCUSSION ON ECONOMIC, SOCIAL ISSUES WITH FIRST QUESTION**

2:27 - 3:00p **DISCUSSION ON ECONOMIC, SOCIAL ISSUES**

3:00 - 3:02p **PRESIDENT ENDS DISCUSSION, ANNOUNCES BREAK AND RECONVENE TIME OF 3:15p**

3:15 - 3:18p **PRESIDENT RECONVENES CONFERENCE, OUTLINES THIRD ROUNDTABLE, INTRODUCES JULIE NORMAN.**

3:18 - 3:21p **JULIE NORMAN**, from Headwaters in Ashland, OR speaks.

3:21 - 3:23p **PRESIDENT CALLS ON JIM GEISINGER**

3:23 - 3:26p **JIM GEISINGER**, President, Northwest Forestry Association, speaks.

3:26 - 3:28p **PRESIDENT CALLS ON GUS KOSTOPULOS**

3:28 - 3:31p **GUS KOSTOPULOS**, President, Woodnet in Port Angeles, WA, speaks.

3:31 - 3:33p **PRESIDENT CALLS ON ROSLYN HEFFNER**

3:33 - 3:36p **ROSLYN HEFFNER**, from Vocational Counseling Service in Tualatin, OR, speaks.

3:36 - 3:38p **PRESIDENT CALLS ON RICH NAFZIGER**

3:38 - 3:41p **RICH NAFZIGER**, former Director, Washington State Timber Team, speaks.

3:41 - 3:43p **PRESIDENT OPENS ROUNDTABLE DISCUSSION WITH FIRST QUESTION**

3:43 - 4:30p **ROUNDTABLE DISCUSSION**

4:30 - 4:40p **PRESIDENT CLOSES DISCUSSION, DELIVERS CLOSING STATEMENT.**

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HISTORY

Divider Title: _____

HISTORY OF OREGON'S DEVELOPMENT

KIMBARK MACCOLL

Portland OR

Mr. MacColl will present an overview of the economic, social and cultural development of Oregon. He will establish the political framework of how Oregonians view themselves as independent people.

Oregonians cherish the natural resources of their state, and closely associate with those resources. Until recently, they didn't consider that they could deplete the forests or rivers. Salmon and douglas fir are intricate parts of the environmental ethos of Oregonians.

Oregonians also were influenced by the colonial presence of corporations from the east which stripped the timber and took the profits. That attitude continues today to a lesser degree regarding decisions on Federal forest lands.

Timber has played an important role in the development of Oregon. However, now many Oregonians feel that the timber industry is degrading their quality of life through over-harvesting, clearcutting, and polluting streams.

Oregonians are at a crossroad. They are looking to leadership to resolve the crisis situation that Oregon and other timber industry dependent states are facing.

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ROUNDTABLE ONE

Divider Title: _____

ROUNDTABLE 1

THE CURRENT SITUATION: WHO IS AFFECTED AND HOW?

SUMMARY:

This roundtable will allow individuals on all sides of Pacific Northwest and northern California Forestry issues to tell you about how they -- or those around them -- are personally affected by the region's forest management issues.

The participants represent the spectrum of affected groups, including loggers, timber industry executives, home builders, lumber dealers, fishermen, Native Americans, environmentalists, conservationists, school board supervisors, and mayors.

Their stories are intended to do away with the "jobs v. owls" arguments and instead highlight the human element that is so much a part of both environmental and industry perspectives. Some common themes you will hear include the following:

- o Overharvesting has led to the destruction of the nation's old-growth forests (also referred to as ancient forests).
- o The Reagan and Bush Administration's federal agencies let down the American people by breaking our nation's environmental laws.
- o Old-growth forests are important to all of us for their ecological, economic and spiritual values.
- o The timber sale reductions have caused pain to individuals, businesses, and communities throughout the region.
- o Communities depend on federal payments in lieu of taxes to fund their schools and build their infrastructure.
- o Communities and workers have close ties to old-growth dependent economies, however, some have made efforts to diversify their economies;

This discussion will show:

- o how deeply people care about the future of their forests;
- o the deep divisions that exist among people of the region and the animosity among the various interests;
- o how difficult it will be to craft a long-term solution;
- o the strong desire by all for a resolution of this issue and faith in President Clinton to help lead the way.

OBJECTIVES:

Clearly, Roundtable 1 participants will respect the Office of the President and all it brings to the table. Yet, there will be some extremists at the table. So, while you are listening to their personal stories you will also be challenged to mediate and facilitate among those with strong differences of opinion.

This roundtable's practical objective will to keep the participants focused on educating you instead of attacking each other. In this sense you should seek to accomplish the following objectives through questions and comments.

- o Show how you represent all Americans and not just the few represented by the organized interest groups.
- o Show that you understand that people are affected by forest management issues in many different ways.
- o Show your compassion toward those who are -- or may be -- affected federal land management agency decisions. This goes for the environmentalists whose old-growth is harvested as well as the unemployed logger.
- o Show that you don't see this as a jobs versus owls debate, but, a debate over the nation's ability to have healthy forests and healthy forest based economies for our children and our children's children.
- o BALANCE is critical here. Your goal is a long-term comprehensive balanced policy that recognises the importance of timber and forests the economy and jobs in these communities as well as the importance of the old-growth forests, are part of our national heritage that, once destroyed, cannot be replaced.

BACKGROUND

ROUNDTABLE 1 CURRENT SITUATION: WHO IS AFFECTED AND HOW:

For five years environmental, labor, timber industry representatives and others have engaged in a knock-down drag-out fight over the future of the region's old-growth forests. This game has been played out in the national media, courts, Congress, and at the highest levels of the Reagan and Bush Administrations. You have promised to break the gridlock of the last five years by convening this Forest Conference.

The Forest Conference takes place in a political "no mans land," that is, all sides seem content with laying down their swords for the time being to provide you with an opportunity to exert the leadership that is needed to solve this issue.

Since your election in November, all sides have nervously and anxiously awaited the Forest Conference. As a result of extended outreach during the transition and conference planning, the politically divisive actions of the past have been shelved -- at least for the time being. Yet, the smallest statement or action may take on symbolic meaning that could create another call to arms.

Listed below is a summary of the current situation as it relates to the primary groups involved in these regional forestry debates.

Environmentalists: Scientists estimate that only 5% to 15% of the region's old-growth forests remain. We have, in our press releases, said that 90% of the old-growth is gone. In addition, recent scientific reports show that the region's forests have been overcut and recommend management changes to protect the remaining old-growth ecosystems and protect water quality, fish and wildlife habitat, and biological diversity.

Congressional and administrative set-asides and court injunctions caused by federal agencies' failure to follow the nation's environmental laws currently protect nearly all old-growth that remain. Yet, the injunctions are temporary and should they be lifted the agencies could again proceed to harvest what old-growth is left. The environmental community wants to protect all remaining old-growth forests for their spiritual and non-commodity benefits and seeks support for legislation to assure this objective for future generations.

Industry: Approximately 33 billion board feet of timber is cut throughout the nation annually. Of this, the region's federal agencies harvested about 4.5 billion -- enough to build 375,000 single unit family homes.

Under the injunctions mentioned above, federal agencies' 1991 and 1992 timber sales dropped to about 500 million board feet. The industry had three years of timber sold from 1988 to 1990 but not harvested to keep them afloat for the last two years. However, 1993 is crunch time. If no more timber is sold this year timber harvesting will be severely limited in some parts of the region. **This is why we keep referring to the train wreck waiting to happen.**

It is important to know that the industry is not homogeneous and timber sale reductions will hurt small to mid-sized companies that are dependent on federal timber more than large companies or those that depend on state and private timber. In fact, some companies will actually prosper through reduced competition and increases in prices. Some industries have gone as far as saying this train wreck will help them achieve changes to the nation's environmental laws.

Labor: 120,000 regional workers are employed in lumber, paper, and allied products industries. Organized labor represents many of these workers through various unions. However, it is the Carpenters Union that has taken the lead in speaking for labor on forestry related issues. An estimated 17,000 workers could be affected by timber harvest reductions mentioned above. We have not publicly talked about any specific job loss numbers and advise you strongly against using them, although panelists will use a wide range of numbers to support their points.

The Carpenters Union and others have worked hard to make sure harvests are kept at the highest possible level. So strong are their feelings that they have created a "Timber Industry Labor-Management Committee" to work against the environmentalists. While there may be some cracks in the coalition, it is still **very** solid. As such, timber harvests -- not community and worker assistance -- are what labor is looking for.

Communities and Schools: The Forest Service's 25% of gross revenue payments to counties throughout northern California, Oregon, and California equaled about \$225 million in 1992. Such payments can make up substantial portions of the budgets of forest dependent-communities for schools and infrastructure. Reducing timber harvesting could affect a number of communities in the region's rural communities. For example, in Douglas County, OR -- one of the most

heavily timber dependent counties in the nation -- federal timber returns account for 62% of the county's budget.

Counties, communities, and schools are deeply concerned about what will happen to their payments in lieu of taxes. They want to be assured that timber harvesting remains high, or that they will be reimbursed in some other manner.

ROUNDTABLE OUTLINE AND TALKING POINTS

ROUNDTABLE 1: CURRENT SITUATION: WHO IS AFFECTED AND HOW:

There are seventeen participants on this roundtable. They are seated to prevent discussion among their peers. In other words an environmentalist will sit by an industry representative who will sit next to a community leader.

The Roundtable discussion will begin by allowing five people to give 3 minute stories about how they are affected by forest management issues. Following these brief presentations, you will discuss how others are affected by the region's forestry issues, engaging everyone at the roundtable in the discussion.

Points to keep in mind:

- TRY TO KEEP PEOPLE FOCUSED ON TELLING THEIR STORY INSTEAD OF ATTACKING OTHERS OR OUTLINING SOLUTIONS. (These solutions are the focus of the third panel.)
- ENCOURAGE PARTICIPATION FROM THOSE WHO MAY BE LESS LIKELY TO SPEAK UP BECAUSE OF THE HEAVYWEIGHTS AT THE TABLE.
- TRY AND GET AT LEAST ONE COMMENT FROM EVERY PARTICIPANT.
- EXPECT SOME HEATED DEBATE AMONG THE PARTICIPANTS.

(Next Page - Opening Talking Points)

OPENING TALKING POINTS

o To break the gridlock it is essential to have a complete understanding of who and how people are affected by the current forest management crisis.

o During this first panel we would like to listen to your stories. Your stories about how you have been personally touched by these issues.

-- While I know many of you have your own ideas about how these issues should be resolved, I ask you to keep your comments focused on how you are affected.

-- The third panel will help give us ideas on how we can best move forward in developing a comprehensive and balanced solution.

o I welcome the many different views you bring to the table and just ask that -- while we may disagree on some things -- we all respect each others views.

o We will begin this panel with some personal stories from Mike Draper, Diana Wales, Bob Spence, Patricia Lee, and Archbishop Thomas Murphy.

-- I ask that the presenters keep their comments to three minutes so we can have ample time for discussion.

-- Following these presentations, I will open it up to questions, comments, and further discussion.

o Mike (Draper) you represent thousands of workers throughout the region. Could you please begin.

THREE MINUTE PRESENTATION - Mike Draper

o Thank you Mike. Diana (Wales) as an active environmentalist in a timber dependent community you bring a unique perspective to this conference. Could you please describe how you are affected by these forestry issues.

THREE MINUTE PRESENTATION - Diana Wales

o Thank you Diana. Bob (Spence), you own a medium sized mill. How are you affected by forest management decisions.

THREE MINUTE PRESENTATION - Bob Spence

o Very thoughtful comments. Patricia (Lee), as a small business owner and a environmental educator please give us you perspective on the forests.

THREE MINUTE PRESENTATION - Patricia Lee

o Thank you Patricia. Archbishop (Thomas) Murphy, your comments during the campaign focused on bringing people together -- instead of splitting them apart.

-- How are you touched by this issue?

THREE MINUTE PRESENTATION - Archbishop Thomas Murphy

(Next Page - Topical Questions)

QUESTIONS:

DEMONSTRATING YOUR COMPASSION WHILE HIGHLIGHTING THE ALTERNATIVES:

The presenters will paint a picture of the extremes. However, there are alternatives that should be brought out.

Questions for Ken Marson (Lumber Dealer), Buzz Eades (Logger), Bill Arthur (Environmentalist).

o We have heard some touching personal experiences. Experiences that tell us just how hard it will be to craft a balanced and comprehensive solution to this difficult issue.

o But, before we move on, I would like to here more from others of you who are affected by these forest management issues.

o Ken (Marson) , you are a lumber dealer. What will timber harvest reductions mean to your business?

Probable answer - Lowered production means increased prices that cannot always be passed on to the consumer.

Follow up - Are these short-term or long-term price increases? What I mean is that there seems to be a lot of speculation going on right now. For example, timber prices dropped a little when I announced this summit?

o Buzz (Eades), you and your family have been working the forests for -- as I understand it -- six generations now. That is quite a testimonial to your way of life.

-- How do you see your past and how do you see your future?

Probable answer - logging is a way of life, not just a job. Loggers love the woods, wildlife, and people too.

o Bill (Arthur), I imagine that like Buzz, you think being and environmentalist is not just a job, but, a way of life.

-- How did you come to dedicate your life to protecting the environment?

Probable answer - My father was a logger and I grew up in the woods. I decided to dedicate my life to protecting the environment.

o Jackie (Lang), how are rural communities affected by these forestry issues?

DEMONSTRATING THAT YOU UNDERSTAND:

Many think this Forest Conference is just a photo-opportunity and that you are not really knowledgeable on these issues. Establishing your technical credibility will go a long way towards making people believe in your solution.

Questions for Frank Tallerico (School Board Superintendent) and Phyllis Shrauger (Mayor), Vic Sher (Environmental Lawyer) and John Hampton (Small Timber Company Owner)

o Frank (Tallerico), as you know, 25% of the gross revenues the federal government receives from timber sales and other revenue sources is eventually returned to the counties in lieu of taxes that may otherwise be collected if the land was privately held.

-- I know that a large part of these payments are used to fund schools such as the ones you oversee.

-- Could help me better understand how this issue affects you and those children whose lives you are so dedicated to?

Probable answer - The forest crisis has led to failing student health and an increase in juvenile delinquency. I am concerned with the education side of this issue, not the industry or environmental side.

o Phyllis (Shrauger), these payments help build the roads in your community as well, do they not? Do the citizens of Hoquiam benefit from these payments in other ways?

Probable answer - Yes, they help build roads.

o Vic (Sher), you have dedicated your life to making sure our federal agencies comply with our nation's environmental laws.

-- Recently you and your colleagues have effectively argued that previous administrations violated the National Forest Management Act -- not the Endangered Species Act as some suggest.

-- Very briefly, what legal mistakes were made by the last administration?

Probable answer - They failed to comply with the National Forest Management Act's "viability" standard which is tougher than the Endangered Species Act standard. They have also failed to meet the standards of the other environmental laws you mentioned above. This could have been avoided.

o John (Hampton), many look at the timber industry as one homogeneous whole. But it is really heterogeneous.

- Companies come in small, medium, and large sizes.
- Some companies are dependent of federal timber, others are dependent on state and/or private timber.
- Some companies export, others do not.
- Your company is relatively small, and dependent on federal timber. It seems to me that these injunctions would hurt you the most. Is this accurate?

Probable answer - Yes, the injunctions hurt small federally dependent mills more than any other. We will be the ones shut down by environmental zealots.

Follow-up Question - But other companies -- who are dependent on private forest lands -- may actually benefit from reduced competition and increased prices?

Probable answer - He should say yes, but, may not!

SHOWING THAT THE ISSUE IS MORE THAN JOBS V. THE OWL:

The previous panels focus on environmentalism versus timber harvesting. However, there are other sides of this issue which need to be brought out to present a more complete picture.

Questions for Nadine Bailey (Loggers Wife), Nat Bingham (Fisherman), Meca Wawona (Forester), Larry Mason (Wise-use movement -- a pro-development group associated with several extremely right wing-groups but also including in its membership workers concerned that environmental regulations infringe on private property rights), and Margaret Powell (native american).

o Nadine (Bailey), it is good to see you again. I so enjoyed talking to your daughter Elizabeth last month.

-- I know you and your family have gone through some tough times recently.

-- Do you see any light at the end of the tunnel?

Probable answer - Nadine told staff that her story is an emotional one, but, that she now believes they are going to make it. If she doesn't respond this way you should try and have her explain what she meant.

o Larry (Mason), you are a former timber worker who now strives to bring timber dependent communities to the table. A noble enterprise.

-- Please tell me how you are helping your community of Forks, Washington deal with that change around you.

Probable answer - He will probably point out that "real people" have been left out of the equation and that he has worked with his community to create a "vision document" that provides a framework for harvesting timber while protecting the environment.

o Nat (Bingham), as a fisherman, how is your business affected by how our forests are managed?

Probable answer - Overharvesting has resulted in declines in fish populations.

o Meca (Wawona), your company specializes in forest and habitat restoration which could directly benefit Nat and the fisheries that are so important to his livelihood.

-- Could you tell me a little bit more about your work and the challenges you face?

Probable answer - Current forest policies and the current economic climate do not provide an incentive for forest and habitat restoration.

o Margaret (Powell), you are active in the affairs of the Hoopa Valley Indian Tribe. You also own a mill that -- as I understand it -- is designed to process dead and/or dying trees.

-- Are you affected by how are nation's forests are managed?

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Panel: Bios/ Views

Divider Title: _____

Presentation 1

Michael Draper
Executive Secretary
Western Council of Industrial Workers

BACKGROUND:

The Western Council of Industrial Workers represents more than 30,000 workers in the forest products industry. The union is affiliated with the 600,000 member United Brotherhood of Carpenters and Joiners of America, AFL-CIO. Mr. Draper has worked as a member of the Western Council for 23 years and has served as an executive officer since January 1988. In addition, he leads collective bargaining negotiations in eleven western states and serves as a spokesman for organized labor on timber issues. In addition, he is chairman of the U.S. Forest Products Joint Bargaining Board; chairman of the Industrial Coalition of the United Brotherhood of Carpenters and Joiners of America; and chairman of the Timber Industry Labor Management Committee.

HIGHLIGHTS:

- * The very people who construct our homes have been deprived of a means of livelihood.
- * Some 28,000 women and men have lost their jobs as our mills curtailed production or shut down permanently. At stake are up to 100,000 people who may face layoffs.
- * Paperworkers are now feeling the same impacts as large mills close.
- * Local governments and counties will begin to curtail programs affecting their employees.
- * We all feel the impact through increased lumber prices.
- * I pledge our commitment to work with you and your administration to find a solution to this problem. Together we can find a solution that equitably protects forests and families.

Presentation 2

Diana Wales
Attorney
Arneson and Wales, Attorneys at Law

BACKGROUND:

Ms. Wales lives and practices law in the small town of Roseburg, Oregon (pop. 16,000). Her field of practice is domestic relations. She is co-chair of the conservation committee of the Umpqua Valley Audubon chapter and has been the informal spokesperson for environmental issues in the town since 1977. Her brother-in-law worked in a mill until recently when he was laid off.

HIGHLIGHTS:

- She describes her perspective as a local environmental one.
- We are now facing the consequences of many years of overcutting due to the management of private lands for profit only.
- The present situation is very much like dealing with a terminal illness -- there is much denial, it is very painful, and there is a lurking sense of inevitability.
- If you had to choose good guys and bad guys, those with short-term, greedy, and egotistical attitudes would be the bad guys, and can be found in all camps. Mostly it is a question of people clutching what is most important and familiar to them in the face of uncertainty.
- From a psychological standpoint, what is most needed is a clear and compassionate message that things are never going to be the same. Nurturing false hopes that things can be the same does a real disservice and this conference should not legitimize them.
- People want most to be able to maintain their dignity and need to be helped to see the options for doing so with change.
- We must not leave this to the courts.
- Great respect for this administration and its efforts to undertake this process. Particularly Al Gore and Bruce Babbitt.

Presentation 3

Robert L. Spence
President
Pacific Lumber and Shipping (PLS)

BACKGROUND:

Robert L. Spence and his brother are the third generation of the Spence family to operate the company founded in 1932. The privately held company owns three sawmills, operates offices in Tokyo and Osaka, exports both finished wood products and logs, and acts as broker of wood products for 60-70 independent mills from California to Alaska. Mr. Spence obtained a degree in business administration from the University of Washington in 1966, served as a lieutenant with the Marines in Vietnam, is married and has three children. He's been active in regional and national trade associations promoting balanced environmental policies and stable timber supply for Northwest mills.

HIGHLIGHTS:

- * Mr. Spence is very knowledgeable of historical harvest levels and trends. Access to private, state and Forest Service lands prompted him to purchase mills in the 70s and modernized them. Additionally, during that time the Forest Service was considered to have the leading edge in conservation practices in the world, and it seemed like a good risk from the standpoint of public policy.
- * PLS can withstand a reduction in Forest Service harvest levels, but particular problems exist with exports. SBA rules complicate the situation. Mr. Spence has had to enforce small layoffs in the past, but never has had a significant drop in employment.
- * Born in 1944, he feels there have been four major landscape issues in his lifetime: McCarthy/Communism; equal rights/civil rights; Vietnam; environmentalism.
- * "The timber industry is a target because it covers such a large land base. It's time to rationalize the process -- we've got to move forward. Maybe we should try limiting exports to certain size classes."

Presentation 4

Patricia Lee
Manager/Chef
Steamboat Inn

BACKGROUND:

Ms. Lee is a long time resident of N. Umpqua, Oregon and a charter member of Oregon Trout, a non-profit organization dedicated to the protection and restoration of native fish and their ecosystems. Her husband is a builder. She is manager and chef at the Steamboat Inn, a world class sport fishing inn on the Umpqua River. The success of her business is dependent on the high quality waters which originate in the Umpqua National Forest and are directly impacted by forest harvesting activities.

Ms. Lee is also involved in the creation of a 650-acre outdoor education/environmental education center to teach Douglas County school children how to be successful in their communities while understanding and respecting the land. She has been visiting classrooms and working "hand-in-hand" with industry in putting this endeavor together.

HIGHLIGHTS:

- The present problem is the result of:
 - operating too long under the status quo, not learning from our mistakes and the impacts we are having on the resource
 - corporate profit motivation driving the process
 - the workforce is generally not highly educated and tend to be responding on emotional basis, and are vulnerable to manipulation
 - we have not been able to find common ground
- There must and will be change, there will be pain and suffering, but there is room to accommodate "both sides" in finding common ground.
- What people in the region want is a decent quality of life for themselves and for generations to come -- and this can only come from ensuring high quality natural resources for the future.
- The worst thing that would happen would be to strangle the industry completely and not allow the progressive operators to emerge
- Ms. Lee holds out great hope for this administration.

Presentation 5

Archbishop Thomas Murphy
Archdiocese of Seattle

BACKGROUND:

Archbishop Thomas J. Murphy has headed the Roman Catholic Church in Western Washington since 1991. He previously served as coadjutor archbishop of Seattle and bishop of Great Falls-Billings, Montana. He has a particular interest in assisting the coastal timber communities. Among other things, he has helped organize relief and social service efforts, economic alternatives and timber-environmental mediation.

HIGHLIGHTS:

- * This issue has affected people -- human debris, violence, abused families, loss of pride, feeling people serfdom. Vacationers use this area as a playground and show-up timber folks.
- * Lack of planning and taking of resources is at the root of the problem. Trees are recyclable. Foreign interests are the bad guys.
- * Church people have the most to offer -- ecumenical approach. Families within the timber community have endured what joblessness means.
- * We need to preserve both the forests and industry. Once there is a solution, we will reaffirm the value of community, people and jobs. When people come together, they will form a common bond. What people need most right now is the see the end of the tunnel and cut through the rhetoric. The President and Vice President can bring people together to look for a solution.

Additional Panelists

Bill Arthur
Northwest Regional Director, Sierra Club

BACKGROUND:

Mr. Arthur has been with the Sierra Club NW office for 10 years and has been thoroughly enmeshed in the entire range of spotted owl, old growth, and salmon issues during that time. He has been responsible for reviewing the forest management plans for the 29 National Forests in his region which includes Washington, Oregon and Idaho. Bill is an economist by training. His father was a small independent operator in the timber industry in rural Montana many years ago.

HIGHLIGHTS:

- * "We have cut like there's no tomorrow, and tomorrow caught up with us yesterday."
- * We are dealing with an industry in transition - a transition which has already occurred in other parts of the country.
- * There will be an industry, because this is a good place to grow wood, but it will not continue to be the frontier/pioneer industry it has been.
- * Economies are dynamic, just as ecosystems are dynamic, and the industry has thus far failed to position itself for tomorrow.
- * There are no good guys or bad guys -- simply hardworking, honest people who feel trapped. The corporations aren't good or bad, but are driving by the corporate profit motive.
- * What is needed is to protect the remaining old growth forests, rehabilitate the degraded ecosystems surrounding them and focus on how to get more jobs out of the timber resources which remain outside of the old growth forests.
- * It is a question of investing in our natural resource infrastructure - fisheries, tourism, and new forestry.
- * Watershed restoration would provide substantive short-term jobs which are needed as economic diversification unfolds.
- * There will be no resolution if this is approached as a land allocation issue...there is not enough to go around.
- * The conference must not be simply a convening ceremony, but must leave some sort of a charge to a group or task force.

**Nadine Bailey
Logger's Wife**

BACKGROUND:

Mrs. Bailey and her husband have had to close their contract timber falling business "because of the injunctions" on timber sales. She has since gone to work for the California Forestry Association doing grass-roots employee education, "convincing others not to do the same thing we did -- putting their heads in the sand...". She describes her "area" as suffering 21% unemployment, with 38% on welfare and 67% of the children on free and reduced lunches (meaning they are at, or below, the poverty level).

Her daughter, Elizabeth, was one of the children who visited you on the ABC television special with Peter Jennings). In response to her question about the northwest forest situation, the President invited her and her parents to attend the Forest Conference.

HIGHLIGHTS:

- * The situation is a result of forest management mistakes and too much time spent on looking at what is wrong instead of finding new ways to do things.
- * Every time there is any kind of consensus reached or decision made, someone from outside the process doesn't like it and decides to sue...stopping any progress.
- * Forest Service process of cutting out pieces of the forest for preservation and expecting remainder to produce the same volume is "all screwed up".
- * We need to get involved in restoration of the forests - including salvage timber - and then manage a healthy ecosystem which can provide enough volume to keep us going.
- * People do not want "give-me" jobs. They are accustomed to and proud of making \$15/hr in producing a product the U.S. needs and are distressed at the prospect of \$4/hr jobs at Burger King. They would rather stay and live on nothing than move away to such jobs.
- * The land and forest are integral parts of their lives and meaningful jobs which keep them there are critical.

Nat Bingham
Self-Employed
Commercial Fisherman

BACKGROUND:

Mr. Bingham has been a self-employed commercial salmon, crab and albacore fisherman since 1963. He owns and operates a fishing vessel and is the former owner of a seafood retailer. From 1982 until 1992, he served as president of the board of directors of the Pacific Coast Federation of Fishermen's Associations, and currently serves as field coordinator of their fishery habitat program. Mr. Bingham is a graduate of the Putney School, Putney, Vermont, and has studied geology and other sciences.

HIGHLIGHTS:

- * Mr. Bingham is a forest landowner with 11 acres. He supports the timber industry and feels the land should be managed on a long-term cycle. He feels the problem started when landscape was managed strictly for timber production, and that "non-market" were ignored.
- * Forest practices have had a large impact on salmon populations. Siltation, the loss of woody debris, have had a dramatic, NEGATIVE impact. Streams that used to have 4,000-5,000 fish now only have 100-150 fish, especially in the coastal areas. One salmon and support eight jobs. We should do more to address the positive side of the jobs issue.
- * He feels everyone is at fault for this situation. Loggers, rural developers, the timber industry, aren't ready to accept their share. "Denial is not a river in Egypt."
- * The President's ability to talk with people and his leadership skills give him the most to offer. Jobs could be created for loggers -- repairing the damage that's been done, pulling out culverts that have failed, etc. Reinvest with a CCC-type program restoring landscape, local watershed strategies where a community develops the plan and the Federal government provides the funding.
- * "Bottom line: renewable resource investment is our future."

Sherill (Buzz) Eades
Independent Logger

BACKGROUND:

Mr. Eades was born and raised in Northeastern California timber communities, and is a sixth generation logger on both Federal and private lands. He has spent all of his life in the mountains of Northern California, has worked as a timber cutter and logging equipment operator, and has been an independent contract logger since 1982. He received the "Outstanding Young Forester" award from the Society of American Foresters in 1976.

HIGHLIGHTS:

- * Opposing sides present this issue as an either/or situation. No one is interested in balance. Both sides are using "fear" to gain support. Sees both sides as the "bad" guys. The workers are caught in the middle.
- * Respects the balanced perspective of Evergreen magazine, published by the Evergreen Foundation.
- * Timber must be harvested in this country. We cannot afford to get all of our wood from foreign countries who do not have the environmental balance that we have. It is possible for us to manage for all of the forest values.
- * Without resolution, good science and removal of this issue from the courts his family will be out of business. With a good solution, the eighth generation of his family can be able to work and live in the woods.
- * People in his community do not want this issue to destroy their community or the forest. Do not believe we need more wilderness, set-asides and preserves. They want working, managed forests for all multiple uses.
- * The worst thing that could happen would be to lock away the forests. Lost jobs translates into lost homes.
- * Is a member of Society of American Foresters, The Association of California Loggers, Sierra-Cascade Logging Conference and Pacific Logging Congress. He considers all of these environmental groups.
- * His main concern is for the loss of the whole heritage of forest jobs and lives. Logging is a way of life, not just a job. Loggers love the woods, wildlife and people too.

John C. Hampton
Chief Executive Officer
Willamina Lumber Company

BACKGROUND:

Mr. Hampton founded Hampton Lumber Sales in 1950 and became CEO of Willamina Lumber Company and affiliates in 1970. He's Chairman of Northwest Forest Resource Council and a Director of American Forest and Paper Association, Oregon Forest Industries Council and National Forest Products Association. He served on the Oregon State Board of Forestry for nine years, having been appointed by three Governors. Awards include: 1989 Forest Industry Leader Award from National Forest Products Association; 1990 Aubrey R. Watzek Award from Lewis and Clark College; and 1993 Man of the Year Award from Timber Processing Magazine. He has a B.S. in Economics from University of Washington, 1947, is married with four children, and has resided in Portland, Oregon since 1948.

HIGHLIGHTS:

- * Mr. Hampton has been in the lumber industry all his life. He views poor legislation as being the root of the problem.
- * The lack of legislation would be a worse case scenario, and the gridlock would continue. Applegate solution is okay but will not solve bigger picture.
- * We are not running out of old growth. We cannot preserve it, but we must continue to grow old growth. We should manage it better, not isolate it.

Jackie Lang
State Coordinator
Oregon Lands Coalition

BACKGROUND:

Jackie Lang has worked for the Oregon Land Coalition since 1989. She lives in Salem, Oregon with her husband and one year old son. She grew up on a small family farm in North Central Montana and has spent her whole life in and writing about rural communities. She describes the Oregon Lands Coalition as a grass roots group which believes that the concerns of people must be part of the solution.

HIGHLIGHTS:

- * Believes the key players are the moderates on all sides, as they are more likely to be able to identify common ground and move the issue forward.
- * Eager for a signal that the president means to balance environment and economics -- a signal that would send real hope.
- * Sees herself and the Oregon Lands Coalition as environmentalists and emphasizes that all environmentalists are not preservationists.

Ken Marson, Jr.
Vice President and Co-Owner
Marson and Marson Lumber, Inc.

BACKGROUND:

Ken Marson, Jr., is vice president and co-owner of Marson and Marson Lumber, Inc., a retail lumber yard, Ace Hardware Center and truss manufacturing plant located in Leavenworth, Washington. He's the 1993 National Co-Chairman of the Governmental Legislative Affairs' Committee of the National Lumber and Building Materials Dealers' Association, which represents 9000 independent lumber yards throughout the U.S.; and the first vice president of the Western Building Materials Association. He also served in 1986 as a Washington State delegate to the White House Conference on Small Business, was a member of the Washington State Governor's Small Business Improvement Council for three years, and twice was President of the Leavenworth Chamber of Commerce.

HIGHLIGHTS:

- * He blames the government for the root of the problem. Sold more timber than we should ever have cut, and there hasn't been enough reforestation. There are radical elements on both sides of the issue, and we need a balanced perspective. Although Mr. Marson is not involved in any environmental groups, he has helped with local issues.
- * People working together can bring positive change. During the 1960s, Leavenworth, Washington, with a population of 1,500, was a ghost town dying in the Cascades. The community came up with a plan to save the town, and turned into a leading tourist attraction. It now has cross country skiing and hiking, and is a live community again.
- * A worse case scenario would be if nothing is done at all. The limbo creates economic stagnation.

Larry Mason
Executive Director
Washington Commercial Forest Action Committee

BACKGROUND:

Mr. Mason has lived on the Olympic Peninsula since 1972. He is a career timber worker involved in a family owned mill which was forced to close due to injunction related timber supply shortages. He has since become an advocate on behalf of forest impacted communities, families and workers.

HIGHLIGHTS:

- * Larry will admit that forestry mistakes have been made in the past and that the industry will be judged by the worst players. But he feels it is wrong to judge the industry as a single entity.
- * He says efforts are being made to manage for the environment and to sustain communities. He notes that "Exploitation vs. preservation is a formula for gridlock. The question should be how we manage our forests not whether we manage them."
- * A major contributing factor to the gridlock is that "real people have been left out of the discussion." He feels the discussion up to this point has been conducted by both industry and environmental "representatives" who have access. He believes a major problem has been that regular people have not been able to speak independent of industry associations.
- * Larry considers himself environmentally oriented. "As they pointed out at the Rio Conference, 'Think globally, act locally' -- we embrace this."
- * Believes the President should develop an interim solution to prevent many more people from falling off the cliff. Timber sales sold but under injunction should be made available. Salvage volume to improve forest health would help. For the long range, sound management. Government should set the rules and stick by them. 12 years ago we had James Watt, now it's George Frampton, what's next. These radical swings are not helpful, "we need teamwork."
- * When asked if he would be interested in participating in a roundtable discussion of the issues with President Clinton, he was very moved and said "It would be the honor of my life."

Margaret Powell
Director
Tribal Employment Rights Office

BACKGROUND:

Ms. Powell is a member of the Hoopa Valley Indian Tribe and resides on the Reservation with her husband, Ronald Powell, and a nine year old granddaughter. She owns a small saw mill which is located on the Reservation, and has served on several committees and councils.

HIGHLIGHTS:

- * Margaret is a member of the 2,000 member Hoopa Tribe and serves on a timber management team established to prepare integrated plans to manage tribal timberland. She and her family also own a small mill designed to process salvage timber. Two of her brothers are also involved in the timber industry working as sawyers (they operate the big saws that take the first cut on a log in the mill).
- * She sees lack of leadership by the federal government and lack of communication between agencies as being a prime cause of the problem but views the Clinton Administration as offering the best hope to resolve the issue.
- * What people within the tribal community want most out of this process are jobs. The tribe has nearly 80% unemployment. The Hoopa Tribe has been ranked 2nd best in the nation at managing its timber resources they are finding it difficult to find even salvage timber to run their mill.
- * Most tribal members are strongly in favor of protecting their forest resources. Margaret attributes this to a Native American culture which holds land and water resources in high regard.
- * She pointed out that what federal land management agencies do outside the reservation has an impact on the reservation environment and used use of herbicides as an example. The tribe doesn't use herbicides but practices manual brush removal (which creates jobs). Forest Service use of herbicides runs the risk of polluting tribal water.
- * Margaret thinks this matter could be resolved by bringing both sides together and requiring them to engage in binding mediation. She says this is an approach which the tribe has successfully used on several occasions.

Victor (Vic) M. Sher
Managing Attorney
Northwest Office, Sierra Club Legal Defense Fund

BACKGROUND:

The SCLDF is a non-profit, tax exempt public interest environmental law firm (separate from the Sierra Club), whose practice is devoted entirely to representing citizens in litigation and administrative action to protect and improve the environment. Mr. Sher has held this position since the office opened in January 1987, and has been counsel to the environmental plaintiffs in a series of cases to protect the Northwest's ancient forest ecosystem. He earned his undergraduate degree with high honors from Oberlin College in 1976, and a law degree from Stanford Law School in 1980.

HIGHLIGHTS:

not available

Phyllis N. Shrauger
Mayor
City of Hoquiam

BACKGROUND:

Phyllis Shrauger served on the Hoquiam City Council from 1969 to 1988, and has since served as the city's mayor. She has been very active in State service, in the National League of Cities, and in Democratic conventions at the state and county level. She has a BA in education from Eastern Washington State University and has been a professional educator for 24 years.

HIGHLIGHTS:

- * Environmentalists and the timber interests have locked horns on this issue. There will be no success in resolving it unless we come up with an agreement that both sides will stick with. We need compromise on both sides, or we'll end up being another Appalachia.
- * Determinations need to be made in advance regarding amounts cut, how they're cut and where. Mill owners shouldn't make such decisions.
- * What people in our community want most is jobs, jobs, jobs. The worse case scenario would be if the timber industry was shut off completely. We're poised to do what is necessary to adapt.
- * If a solution isn't found soon, the only alternative will be to pour money into welfare to help people get back on their feet. We don't have infrastructure or business parks -- only empty log trucks.

Frank Tallerico
Superintendent
Siskiyou County Schools

BACKGROUND:

Mr. Tallerico has spent 32 years in public education and has been the Siskiyou County Superintendent of Schools for the last eight years. His school district has been heavily affected by the loss of timber jobs over the past several years.

HIGHLIGHTS:

- * From an educational standpoint, Mr. Tallerico sees that the two biggest problems are failing student health, and an increase in juvenile delinquency.
- * Children of timber workers feel like second-class citizens - the work that their fathers do is portrayed as evil, and they feel victimized and frustrated by this.
- * "A comprehensive, reasonable, science-based forest management plan must be arrived at as soon as possible. A balance must be struck, with the full participation and consultation of the local communities in the process. We need economic development, diversification, retraining, and a reasonable timber harvest."
- * "Both sides of the community -- environmentalists and timber people -- feel that a reasonable balance needs to be struck, and that the President is the only person that can do it -- his leadership is crucial to success, he needs to be there."
- * "The community is more concerned with uncertainty than they are with any other aspect of this issue. Community members would rather have certainty about timber policy and harvests, even if it is bad news, than to have to continue to deal with uncertainty. Give us a consistent policy with some certainty, and the workers and industry will adjust."
- * Mr. Tallerico feels that continued gridlock on the issue is the worst thing that could happen. People need to see an attainable solution that balances timber harvesting with environmental concerns. He feels that this issue is very dangerous right now -- a lot of anger out there that is almost ready to boil over into real violence if no solution is found in the near future.
- * Mr. Tallerico stressed that he is concerned with the educational side of this problem, not the industry or environmental sides. According to him, people truly believe in the President and believe that he can find a solution.

Meca Wawona
Natural Resource Consultant and Business Manager
New Growth Forestry

BACKGROUND:

Ms. Wawona founded New Growth Forestry in 1976, a small business cooperative corporation which specializes in forest and salmon habitat restoration. She and her husband are engaged in the restoration of the redwood forest and steelhead habitat on their ranch in Mendocino County. She's also involved in forest policy research on the socio-economic implications of declining wood quality in our nation's forests and wood supply, and has served on numerous advisory and policy-making committees.

HIGHLIGHTS:

- * Ms. Wawona feels that we haven't been managing our forests for the long term. Over the years, there has been a steady process of timber companies harvesting whatever they could get their hands on (with government encouragement and support). Also, she feels that our policies have been fragmented -- aimed at one small piece of the problem, whether it be owls or old growth forests on public lands. This scattered approach forces us to constantly be mopping up crises -- water pollution, wildlife extinction, etc. The spotted owl crises is a signal of a much wider problem of not taking a holistic approach to forest management policy.
- * She feels very strongly that what has been overlooked by all sides on this issue is the "product side" of the issue -- that is, the issue of the rapidly declining quality of wood that is being harvested. Wood quality is a direct result of the harvesting strategies that are used, which is a result of how you manage a forest. Over the years, the biggest and best quality trees have been harvested and are almost gone, leaving smaller second-growth trees. The second growth trees are of lesser quality, as knots and other imperfections limit what kinds of products can be made from the timber. Higher quality, "value-added" wood products demand high quality timber, and this timber is almost gone no matter what our policy is. As homebuilders and other users of our timber get lower quality wood, they are forced to treat the wood with chemicals that are in many cases toxic and that are now polluting local water supplies (a major lawsuit going on in California over this subject right now). So now it is a public health problem too. But this issue of wood quality is virtually ignored by industry and environmentalists alike.

- * Ms. Wawona feels that money makers (timber industry and exporters?) are doing anything they can to make money -- there is a great deal of old-growth stockpiling going on in California, especially by Japanese firms. The assumption is that, in ten years there will be no old-growth quality timber left in this country, and they will be able to sell their stockpiles at a huge profit. But these people are benefiting at the expense of our country's natural resources, and that's not right.
- * "A sustainable yield policy is desperately needed that would balance the competing needs of industry and the environment. People are focusing on owls, and jobs, and old-growth forests and they are missing the bigger picture -- We need a holistic policy that covers all forest lands, not just public, and that takes all viewpoints and needs into considerations. Ecosystems transcend property lines."

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ROUNDTABLE TWO

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ROUNDTABLE 2

ECOLOGICAL AND ECONOMIC ASSESSMENTS

SUMMARY:

This Roundtable consists of two panels of technical experts: the first will address forest ecology and management; the second will address forest-related economics and sociology. This group of experts serves as a "truth squad" to the extent this is possible. They will be asked to discuss technical disagreements which are likely to have emerged at the first roundtable discussion.

The panelists will reveal disagreements within the scientific community with respect to these issues. An important objective will be to define better the areas of agreement and disagreement and point out the implications of persistent disagreement.

OBJECTIVES:

First you will hear from the forest ecology presenters. Then you will discuss those issues. After that, you will hear from the economic and social presenters and then discuss those issues.

1) **Forest Ecology Issues panel.** This panel will discuss the technical aspects of forest management as they relate to timber management, fisheries, water quality and wildlife. An important objective is to address the ability of the region's forests to provide a sustainable flow of timber and still maintain the habitats and ecological processes upon which wildlife (particularly threatened and endangered species) and fisheries depend.

2) **Economic Issues panel.** Panelists will provide an assessment of the macroeconomic health of the region, the micro-economic health of the forestry-related communities and the social effects of the old growth forest management on the people of the region. An important objective will be for panelists to assess the extent to which local and regional economies depend on timber harvests from federal lands currently and likely future trends.

These people are all professional experts. Most are university professors who have demonstrated they are leaders among their peers in academic circles as well as highly respected members of state and Federal technical assessment panels. The discussions should be even keeled and factual. Each panelist has years of research and public policy experience.

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Ecology Panel

Divider Title: _____

ROUNDTABLE OUTLINE AND TALKING POINTS

ROUNDTABLE 2: ECOLOGICAL AND ECONOMIC ASSESSMENTS

Thirteen people are on the panel. The forest ecology and forest economic panelists are intermingled around the table.

The **FOREST ECOLOGY** panel will go first. Three people will make presentations. You will then ask questions of the other four ecologists.

You will proceed to the **FOREST ECONOMICS AND SOCIOLOGY**. An economist and sociologist will make presentations. You will then ask questions of the other three economists and sociologists.

PANEL 1: FOREST ECOLOGY AND MANAGEMENT

The forest ecologists on this panel are widely respected technical experts. They have participated on numerous Federal and state panels to assess the owl - forest situation.

OPENING TALKING POINTS

- o Panelists before lunch presented very diverse views on all aspects of the situation in this region. Each presented personal stories of how the gridlock has affected them.
- o During this roundtable, we are going to hear the views of technical experts from universities, industry, environmental groups, as well as state and federal agencies.
- o First we will hear from the forest ecology panelists. Then we will shift to forest economics and sociology.
- o I ask all panelists to focus your remarks precisely in the spirit of providing us an opportunity to hear from all panelists.
- o Dr. John Gordon from Yale University School of Forestry will make the first presentation. Dr. Gordon was a forest ecology professor at Oregon State for 10 years before moving east. He was one of the "Gang of Four".

JOHN GORDON'S PRESENTATION

- o Thank you, John. Dr. Lorin Hicks, a wildlife biologist with Plum Creek Timber Company, will make the next presentation. He will describe industry's efforts to address spotted owl habitat research and conservation on private lands.

LORIN HICKS' PRESENTATION

- o Thank you, Lorin. The intermingled public-private ownership sounds like it creates additional problems for habitat conservation.
- o Dr. Charles (Chuck) Meslow, a U.S. Fish and Wildlife Service biologist, will make the next presentation. Chuck was a co-author of the Interagency Scientific Committee (ISC) Strategy for the Conservation of Northern Spotted Owls.

CHUCK MESLOW'S PRESENTATION

- o Thank you Chuck.

TOPICAL QUESTIONS FOR FOREST ECOLOGY PANEL

FOREST ECOLOGY PANEL

Question for Jerry Franklin (forestry professor):

Several people have used the expression "New Forestry" as a solution to the problem. Could you please explain what you mean by that?

Franklin is often called the "Father of New Forestry". New forestry uses less environmentally damaging practices to remove timber (not clearcutting). It is more labor intensive, thereby creating additional employment, but produces higher value timber. It includes setting aside old growth forest and riparian areas with connecting corridors for wildlife.

Question for Chad Oliver (professor of forestry):

1. Would you care to comment on Dr. Franklin's thoughts on "new forestry"? By taking alternative management approaches, can we better achieve local and national ecological and economic goals?

Question for Dan Tomascheski (corporate executive):

1. Ecosystem approach: All of these panelists believe that Federal agencies should adopt an "ecosystem approach" to managing their lands. This has become a buzzword which lacks precise definition.

Do you agree with the way that John Gordon and Chuck Meslow have described the term "Ecosystem Approach" (he does).

Question for Jim Sedell (Federal fisheries biologist):

How do forest practices affect anadromous fish habitat?

Increased sedimentation and runoff can prevent successful spawning by covering gravel stream beds, blocking passageways, and warming the water. To mitigate against, he will recommend "no cut" buffer zones around streams and ponds.

Question for Rick Brown (National Wildlife Federation)

1. East side forests: Why do you recommend including forests on the East side of the Cascades in the Administration's solution?

Mr. Brown will indicate that East side National Forests are different ecosystems which have similar problems balancing ecosystem degradation (particularly salmon streams) with competing uses. Some salvage timber on the East side may be available in the short term. However, East side Federal forests cannot continue to be harvested or used as intensively for other purposes (grazing, hydropower) as in the past.

GENERAL QUESTIONS (COULD BE ASKED OF ANY PANELIST)

1. Several panelists spoke of "sustainable levels of harvests from forests" and achieving a "balanced solution" to these issues. I expect divergent views from members of the public on what each of these means. Among scientists and technical experts, how close are you to agreeing on what these mean?

QUESTIONS TO AVOID

1. Someone may ask you what harvest levels the region can sustain.

RESPONSE: We do not yet know the answer. I know scientists tell me the region cannot sustainably harvest at historic levels and maintain healthy forests. I look forward to the advice and recommendations of my cabinet secretaries on this issue

2. Someone may ask whether forests on the "East side" forests (meaning east of the Cascade Mountains) will be included in the management package.

RESPONSE: The Administration has not determined which areas will be included. However, we will certainly study the question in detail as part of our overall review of the issues we have heard today

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Panel: Bios / Views

Divider Title: _____

FOREST ECOLOGY ISSUES PANELISTS

Presentation 1

John Gordon
Yale University School of Forestry

BACKGROUND:

Dr. Gordon is a forest ecologist who spent the majority of his career at Oregon State University. He has written extensively on forest policy issues and was one of the "Gang of Four," an expert team convened at the request of Congress to present alternatives to the timber crisis in the region.

HIGHLIGHTS:

- Ecosystem management, rather than managing for individual resources, is the most appropriate approach to managing Federal forests to balance timber supply and biodiversity goals.
- More knowledge of how ecosystems function is needed to ensure effective ecosystem management over the long term, but sustained timber harvest and retention of wildlife and old growth values can be attained with hard work.
- Creative employment opportunities are available in inventorying, monitoring, and restoring Federal forest lands in the short and long terms.

Presentation 2

Lorin Hicks
Plum Creek Timber Company, Seattle WA

BACKGROUND:

Dr. Hicks is a wildlife biologist who has conducted research on spotted owls on private and public lands. He was a contributing author of the Spotted Owl Recovery Plan, the Bush Administration plan to conserve owl habitat.

Lorin Hicks will present the perspective of a timber company wildlife biologist.

HIGHLIGHTS:

- 15 percent of Plum Creek Timber's private lands are inaccessible because they are habitat for endangered or threatened species. Plum Creek's lands are intermingled with Federal lands.
- Private lands should supplement Federal efforts in species recovery. Land owners should be allowed to manage timber on those lands.
- New forestry measures on public and private lands can lead to ecosystem approach to management for all species, not merely land set asides for spotted owls and other threatened species.

Presentation 3

Charles (Chuck) Meslow
Director, USDOl Fish and Wildlife Service
Cooperative Research Unit, Corvallis OR

BACKGROUND:

Dr. Meslow is a research biologist and professor of wildlife ecology at Oregon State University. He is known for his research on northern spotted owls and was a member of the Scientific Analysis Team (SAT), the recently released report assessing the needs of 482 old growth dependent species.

HIGHLIGHTS:

- The relationship between two species (northern spotted owl and the marbled murrelet) and old growth forests.
- The owl and the murrelet represent the tip of the iceberg -- as many as 482 other species have been identified as being closely associated with old growth forests.
- An ecosystem approach is required which combines preserving areas of remaining old growth and more progressive management of intervening public lands.

Non-Presenting Forest Ecology Panelists (arranged alphabetically)

Rick Brown
National Wildlife Federation
Portland OR

BACKGROUND:

Mr. Brown is a wildlife and forest ecologist who previously worked for the Forest Service. He has actively promoted ecosystem approaches to management for forests as opposed to managing on a species-by-species basis.

HIGHLIGHTS:

- the conservation communities' effort to assure that Federal agencies use new scientific information as it becomes available;
- Federal agencies should take an ecosystem approach to forest land management.
- Any solution presented should include the East side of the Cascades. Impacts to fisheries from forest management are as important on the East side as spotted owls and murrelets on the west side.

Jerry Franklin
University of Washington, Seattle

BACKGROUND:

Dr. Franklin is a leading forest ecologist whose research focusses on old growth forests. He was one of the "Gang of Four", and has been called the "father of New Forestry".

HIGHLIGHTS:

- He believes that most people want Federal lands used to conserve biological diversity and natural resources.
- Feels that this does not mean a ban on harvesting timber -- however, taking an ecosystem approach to management would require significantly lower harvest levels.
- As a researcher, he believes that Federal agencies have not used advances in ecological sciences when managing their lands.

Chad Oliver
University of Washington, Seattle

BACKGROUND:

Dr. Oliver is a silviculture and forest policy professor at the University of Washington, School of Forest Resources.

HIGHLIGHTS:

- factors affecting the forest products have evolved with new global trade, environmental laws, and social values.
- Federal forest managers must take advantage of new information on all aspects of forest management.
- People want a balanced, scientifically (ecologically, socially, and economically) credible solution.
- Encourages leadership of government, industry, labor and environmental groups to recognize tradeoffs that need to be made.

Jim Sedell
USDA Forest Service, Corvallis

BACKGROUND:

Dr. Sedell is a fishery biologist who is a leading researcher into how forest land use affects fish habitat. He was the principal fishery biologist on the Scientific Advisory Team (SAT). He is a native Oregonian and local fisherman.

HIGHLIGHTS:

- Harvesting timber can have profound impacts on streams and fish.
- The political process is at fault for allowing communities to become dependent on federal timber harvests without ever acknowledging the trade-offs.
- Federal agencies have not been willing to enforce National Forest Management Act and the National Environmental Policy Act. If the Federal government wants to stray from existing laws, they should change the laws first.
- Communities in the region want firm commitment to a course of action so that they can plan with greater certainty.

Dan Tomascheski
Vice President, Sierra Pacific Industries
Redding, CA.

BACKGROUND:

Dan Tomascheski's company owns 1.1 million acres of commercial forest land in California. It is also the largest California purchaser of timber on Federal lands. Almost one-third of the timber for the Sierra Pacific's 9 sawmills comes from Federal lands. Mr. Tomascheski was active in efforts to reach consensus with environmentalists over private forest lands in California.

HIGHLIGHTS:

- He has criticized Federal agencies for removing lands from commercial timber production and not reducing expected timber harvest levels. This led to more intensive harvests on fewer acres, and the ensuing public outcry over Federal land management.
- He recognizes the need to get away from intensive clear cutting and take more of an ecosystem approach to management. Less intense forestry practices can provide greater stability.
- He feels it does not make sense to be exporting raw logs when there is such high demand at domestic mills.
- He feels new legislation should set aside more federal lands for protection in exchange for greater certainty with respect to timber flow from remainder.

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Economics Panel

Divider Title: _____

FOREST ECONOMICS PANEL

- o This panel has three economists (two academics and one from a state agency) and two sociologists (both academics).
- o The economics and sociologists are leaders in their fields. Each brings a different twist to these issues through his or her analysis.
- o Dr. Brian Greber, a regional forest economist from Oregon State University, will lead off. Brian, please go ahead.

BRIAN GREBER'S PRESENTATION

- o Thank you Brian. I am sure that your remarks will engender comments from your colleagues on the panel.
- o Dr. Louise Fortmann, a sociology professor at the University of California at Berkeley Department of Forestry and Resource Management, will give her thoughts on the sociological conditions in timber dependent communities. Louise, ...

LOUISE FORTMANN'S PRESENTATION

- o Thank you Louise. Your research confirms a lot of what we heard this morning.

QUESTIONS FOR FOREST ECONOMICS PANEL

Question for Bob Lee (forest sociologist):

Causes of social discord in forest communities: Dr. Fortmann believes that the root cause of the problem is that lack of local control over decisions made for Federal or private lands inherently results in profits leaving the communities. Do you agree that is the major cause of social disorder in rural timber-dependent communities?

He does not. He thinks the Federal government has betrayed local communities by creating a reliance on timber from Federal lands. Now that significantly less timber is available for harvest from Federal lands, rural citizens no longer have faith in government. A real gap is developing between rural Oregonians and those in urban areas. Media influence exacerbates the tension.

Questions for Ann Hanus (state forester)

What short and long-term investment opportunities in the forest might be available to offset declines in harvest levels from Federal lands?

She will indicate:

- opportunities exist to provide jobs to loggers that will increase timber yields on Federal, state and private lands. They include more intensive forest management activities like thinning and fertilizing. ----
- Forest Service cost-sharing programs with private landowners can encourage more intensive management.

Question for Ed Whitelaw (forest economics professor)

Professor Greber focused his remarks on local economic impacts of forest industry. Could you provide us your assessment of the macroeconomic status of the timber industry in the Pacific Northwest and it is affected by timber from these lands? and,

Can you give us your assessment of Federal timber supply outlook on regional and national economic growth?

He will respond that:

- In the short term the timber declines will be noticeable in the region.

- The federal timber lands in the region provide less than 10 percent of the national supply.
- The industry is declining for reasons that have little to do with environmental restrictions -- market reason restructuring, improved efficiency, and recession.
- Environmental restrictions contribute to the problem but not the major ones.
- Regional economy is booming in other fields. The future of the PNW economies not in forestry (in its current form).

GENERAL QUESTIONS FOR FOREST ECONOMY PANEL

o If we accept the relationship between timber availability on Federal lands and employment in the forest product sector, how can we offset economic impacts in the region given what we just heard from the forest ecologists? How can the government achieve the "balance" we are seeking?

QUESTIONS TO AVOID

1. Has the Administration identified specific funds for community development and labor retraining beyond what is in the economic stimulus package?

RESPONSE: We are assessing policies. No decisions made to target specific funds for particular regions or economic dislocations.

2. Are you going to continue the Federal "safety net" to communities based on historical timber harvests?

RESPONSE: We have continued the 85% formula in the FY 94 budget but we need to seek a long-term solution to Federal support of local programs.

[The 85% refers to a payment formula whereby federal receipts to individual counties are not allowed to fall below 85% of the 1986 - 1990 average receipts, regardless of lower timber harvests.]

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Panel: Bios / Views

Divider Title: _____

FOREST ECONOMIC AND SOCIOLOGY PANEL

Presentation 1

Brian Greber
Oregon State University, Corvallis

BACKGROUND:

Dr. Greber's research addresses forest product markets and regional economics. He has been an adviser to several Federal task forces, including the "Gang of Four" and the Endangered Species Committee, on the spotted owl issue.

HIGHLIGHTS:

Dr. Greber will discuss the following:

- current make-up of timber industry in region and nationally;
- sources of timber from Federal, state and private lands;
- regional job trends in the forest products industry including forest product industry relative to other industries in the region;
- banning raw log exports could make protect some mill worker jobs but it would cost jobs of longshoremen and loggers on private lands. The net benefits of a ban on log exports are not clear.

Presentation 2

Louise Fortmann
University of California, Berkeley

BACKGROUND:

Dr. Fortmann is a rural sociologist who has focused on environmental protest and community well-being. She has conducted major ethnographic and statistical analyses in the region.

HIGHLIGHTS:

Louise Fortmann will emphasize:

- The human component of forest practices in the region.
- Believes lack of local control as the major problem. The people most affected by this crisis - the local people - have the least amount of control over what happens to them.
- She is critical of the Forest Service and private industry because they have not had the interests of local people who are most affected in mind.
- Too much of the profits of the timber industry leave communities and state.
- The most important factor to people in rural communities is to be able to maintain their lifestyle and provide decent livelihoods to support their families.
- Describes the problem as one of increasing poverty coupled with a decreasing natural resource.
- The level of frustration in the communities has already lead to talk of violence.
- Her solution is to increase local planning and control over federal land management.

Other Panelists (in alphabetical order)

Ann Hanus
Assistant State Forester
Salem OR

BACKGROUND:

Ms. Hanus is a professional forester and economist and has been involved with this issue since 1985. She served as staff to Tom Walsh, the Oregon representative to the Endangered Species Committee ("God Squad") which exempted the 13 BLM timber sales last May. Ms. Hanus' analyses lead Mr. Walsh to vote against granting the exemptions.

HIGHLIGHTS:

- opportunities exist to provide jobs to loggers that will increase timber yields on Federal, state and private lands. They include more intensive forest management activities like thinning and fertilizing.
- Forest Service cost-sharing programs with private landowners can encourage more intensive management.
- Federal agencies (BLM, FWS, FS) under the old Administration lost the trust of the affected parties.

Bob Lee
University of Washington
Seattle

BACKGROUND:

Dr. Lee's field of study centers on the social aspects of forest resource use. For many years he has studied the social and cultural consequences of wood supply reduction on forest-dependent communities. He is affiliated with the non-profit group The Temperate Forest Foundation which seeks to develop a middle ground for the development of sustainable use practices.

HIGHLIGHTS:

- The present situation is the result of unanticipated consequences of federal laws which have allowed routine administrative actions of agencies to be easily influenced by the courts.
- The major cause of sociological problems in the region is the decreasing supply of Federal timber.
- Domination by the urban media is a major problem in this issue.
- People no longer trust the Federal government because it has spent decades promoting utilization of forest resources to benefit local economies. Now that timber sales have decreased in the region, the economic base is threatened.
- High unemployment is causing predictable social consequences.
- He will compare impoverishment in these communities to poverty in inner cities.

Ed Whitelaw
University of Oregon, Eugene

BACKGROUND:

Ed Whitelaw is a Professor of Economics who has participated on numerous advisory bodies regarding economic development throughout the Pacific Northwest. He has written extensively on Oregon's economic diversification in recent years.

HIGHLIGHTS:

- Northwest regional economies are in transition from being driven by resource extraction.
- Oregon's overall economy is thriving, particularly in urban areas, in spite of declines in timber industry.
- Federal lands in the Pacific Northwest will not be a major supplier of the nation's overall timber products.
- Quality of life in the Pacific Northwest is what is leading the economic boom. It's "jobs vs. jobs, not jobs vs. the environment." The timber industry is partly to blame for perception of degrading the environment and lowering the quality of life.

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ROUNDTABLE THREE

Divider Title: _____

(On back of Divider Title: THE FUTURE)

ROUNDTABLE 3

WHERE DO WE GO FROM HERE?

SUMMARY:

The purpose of Roundtable 3 is to identify opportunities for this economy in transition and to highlight successful efforts at economic diversification and adaptation. Panelists should describe their ideas about new approaches to forest management that are necessary to conserve forest ecosystems. You will hear about new economic opportunities within and outside of the timber industry.

The participants have been selected because of their real-world experiences and "can do" attitudes. This panel has business people that are environmentalists and environmentalists that appreciate the dire economic circumstances facing many timber families. Participants include successful value-added mill operators, industry spokespeople that have acknowledged that timber harvest levels will need to be reduced, fishermen whose livelihoods depend on forward-looking policies, community representatives experienced in working with displaced loggers, and environmentalists desperately seeking to eliminate the gridlock and move on.

Some common themes you will hear include the following:

- o There has been some degree of overcutting during the past 15-20 years -- harvesting at **those** levels cannot continue.
- o The solution needs to be balanced and provide some certainty and predictability of timber supplies.---
- o The future of the fishing industry needs to be considered along with that of timber.
- o Loggers want to continue to work in the woods.
- o If the work is not actually in the woods, there is a hope that individuals can make the transition into secondary manufacturing of value added products.
- o Moving workers into high-tech manufacturing is not what is preferable to rural communities.

The discussion will show:

- o different concepts of what a "balanced solution" might be
- o different concepts about sustainable forestry

- o there are successful enterprises that can serve as guides for the future
- o there is skepticism about the widespread applicability of these successful enterprises
- o individuals and communities are counting on the federal government to provide leadership
- o individuals and communities are also counting on the federal government to provide monetary assistance in terms of significant training programs, financial support for towns that have been highly dependent on revenues from timber sales
- o need for Federal land management agencies to implement alternative approaches to forest management

BACKGROUND

ROUNDTABLE 3: WHERE DO WE GO FROM HERE

Participants on Roundtable 3 have been asked to consider the following questions:

- 1) **What can we do differently to manage and protect the forests for today and for the future?**
 - o Most participants support progressive forestry management practices (aka "New Forestry"). Selective logging can create more jobs from a lower timber flow. (The lower timber flow leads to an increased emphasis on value-added activities, which are much more labor-intensive than sawmills producing lumber).
 - o Participants' views on the role of federal forests in the future vary considerably. Some see them as reserves of biological diversity, others see them as resources for sustainable forestry.
- 2) **How can the affected communities grow and adapt to a changing economy?** Participants will explore local, regional, and national opportunities for bolstering the region's rural economic health.
 - o Most feel that communities that have relied ~~historically~~ on revenues from timber sales should be taken care of during this period of transition (this usually means support from the federal government). The participants are unlikely to offer specific plans (and the issue of costs for this support does not arise).

3) **What can we do to make the transition easier for those workers who might be directly affected?** The participants will highlight their ideas about ways to adapt to new forest-related and other employment opportunities. Many of these ideas are based on experiences the participants have already had.

- o In this region, economic opportunities for the future are frequently divided into two major categories: jobs **in the woods** and jobs **out of the woods**. Within that framework, the participants will describe opportunities **in the woods** through:

- o "new forestry" practices
- o forest reclamation efforts (e.g. removing culverts, fixing trails, etc.)

Other participants will highlight ventures that are **out of the woods**, but still in the timber industry:

- o "value added" timber industries (i.e., more labor-intensive wood product mills)

There will also be discussion of the challenges associated with putting displaced loggers that are accustomed to seasonal, outdoor, and "unsupervised" work in the woods into alternative work settings that are indoors, regular, and closely managed.

ROUNDTABLE OUTLINE AND TALKING POINTS

ROUNDTABLE 3: WHERE DO WE GO FROM HERE?

There are twenty participants on this roundtable. Each is seated next to individuals with different backgrounds, and sometimes differing points of view.

The roundtable discussion will begin by allowing five people to give 3-minute introductions on their special experiences on these issues which will assist in figuring out **where we should go from here**. Following these brief presentations, you will discuss ideas and experiences that other panelists have that might give insight into how to move ahead.

Points to keep in mind:

- o ENCOURAGE PARTICIPATION FROM THOSE WHO MAY BE LESS LIKELY TO SPEAK UP
- o TRY AND GET AT LEAST ONE COMMENT FROM EVERY PARTICIPANT
- o BE AWARE THAT MANY ARE SKEPTICAL ABOUT THE EFFECTIVENESS OF RETRAINING AND OTHER ECONOMIC DEVELOPMENT OPTIONS ==>

YOU SHOULD ACKNOWLEDGE THAT MANY OF THE TOWNS/COMPANIES/LOGGERS CIRCUMSTANCES ARE CASE SPECIFIC

THERE WILL NOT BE ONE MAGIC SOLUTION FOR EITHER RETRAINING OR COMMUNITY-ASSISTANCE

BUT, IT IS CRITICALLY IMPORTANT TO HEAR THE SPECIFICS ABOUT HOW COMMUNITIES HAVE RESPONDED SO FAR

OPENING TALKING POINTS

- o I would like to spend some time now on how workers and communities have already responded to the economic and forest management challenges with which you have been confronted.
- o I know responses have been creative and resourceful -- in crafting a federal plan it is important for us to understand what you have done here already.
- o So tell me: What has worked, what hasn't? What ventures have you tried locally that may be more widely applicable to the entire region?
- o Are there areas in which the federal government can be particularly helpful?
- o We will begin this panel with presentations from individuals with different interests and personal experiences in forest management. We will hear from Julie Norman, Jim Geisinger, Gus Kostopulos, Roslyn Heffner, and Rich Nafziger.
 - Again, I ask that the presenters keep their presentations to three minutes so we can have ample time for discussion.
 - Following the presentations, I will open it up to questions, comments, and further discussion.
- o Julie [Norman], you live in a county that is highly timber-dependent and are very committed to protection of our old growth forests. Can you begin by telling us where you think we should head.

THREE MINUTE PRESENTATION

- o Thank you Julie. Jim [Geisinger], you have been involved in these issues for years. What do you think we need to do?

THREE MINUTE PRESENTATION

- o Thank you Jim. Gus, [Kostopolus] I understand you can tell us more about your vision of the future in the context of secondary wood manufacturing. Please, go ahead.

THREE MINUTE PRESENTATION

- o Great stuff! Roslyn, [Heffner] I am very interested in your experiences in vocational training and counseling. What is your perspective?

THREE MINUTE PRESENTATION

- o Thank you Roslyn. These are indeed challenging issues. Rich, [Nafziger] you have been intimately involved with all parties on these issues for years. Please give us your perspective on how to move ahead.
- o Thanks so much Rich. I'd now like to hear about some of the other experiences that can help us chart the course for moving forward.

QUESTIONS FOR THE PANEL

[This will open up the discussion to the non-presenter participants. Follow up questions for the presenters are after these questions for non-presenters.]

Discussion Question #1

How about if we first focus on the question: What can we do differently to manage and protect the forests for today and for the future?

I know a number of you have important perspectives here:

(Charlie Bingham, Bob Doppelt, Irv Fletcher, Andy Kerr, Tom Robinson, Jack Ward Thomas)

Charley Bingham Questions

- o [Just out of curiosity,] How involved is Weyerhaeuser in timber purchases from federal lands?
- o Can you comment on the difference between the ways private forests have been managed during the past 15-20 years versus management of federal forests (if there are differences)?
- o Are there lessons the federal government can learn from the forest management practices on private lands?

Andy Kerr Questions

- o Can you describe why the old growth forests are so important to you?

Irv Fletcher Questions

- o How much responsibility for this crisis lies with the federal agencies?
- o What is your feeling on preservation of old growth forests?
- o What is your recommendation on next steps?

Bob Doppelt Questions

- o Can you tell us more about the link between forest management on federal lands and salmon habitats -- how is this link clear to you?
- o I understand you have a watershed management proposal that will create jobs -- tell us a bit about it.

Tom Robinson Questions

- o What are the ways to address affected fish habitats, which I understand are not only a major concern of yours, but represent your livelihood?

Jack Ward Thomas Questions

- o You have been in the center of the scientific debate for years now -- how would you go about crafting a forest management plan to move us ahead?

(you might want to ask Presenters Julie Norman, Jim Geisinger and Rich Nafziger if they have anything to add)

Discussion Question #2

If what many of you are suggesting is true, some workers will be affected by harvests from federal lands. What can we do to make the transition easier for those workers?

Jim Coates Questions

- o You have broad-based experience with many people experiencing difficulty in timber-based communities. Based on this experience, what do the people need and want most?

Charles Ollivier Questions

- o As a representative from the labor community and a harbor commissioner, how do you think we should move ahead?

Jim Irvine Questions

- o As a representative from the National Association of Home Builders, you and your colleagues in the construction industry are affected by fluctuating lumber prices. There has been some debate about the link between management of federal forest lands and lumber prices. But the recent nationwide run-up in lumber prices seems to be much larger than we would expect with reduced supplies from the Northwest alone. Why have prices risen so much?

[Follow up with Julie Norman for an alternative view]

Discussion Question #3

Looking ahead, what are the opportunities for communities to grow and adapt?

Katherine Mater Questions

- o I understand that you have experience in "doing more with less volume [of timber]" -- tell us how you do this?
- o What is needed to encourage others to adopt similar practices?
- o How does doing more with less timber translate into community benefits?

Eric Hollenbeck Questions

- o What kinds of things do you make at Blue Ox Mill Works?
- o How did you get into doing value-added manufacturing?
- o Have you thought about ways to encourage more people in the region to get into value-added manufacturing?

Walter Minnick Questions

- o Tell us what your company does.
- o Is this the normal practice by companies in your line of manufacturing?

Felice Pace Question

- o You have been involved in community development issues. What are the ways to address affected fish habitats and protect local economies?

Dave Schmidt Question

- o As a county commissioner whose revenues have declined in recent years, what ideas do you have for ensuring that critical community needs are met?

Ted Strong Questions

- o You have been an important and forward-looking voice in this controversy. What is your impression about how to move forward?

ADDITIONAL QUESTIONS FOR PRESENTERS

[These are follow-up to presentations, but you will engage the non-presenters first]

Julie Norman Questions

- o Why have you taken on these issues and made them your life's work?
- o How much experience has there been with more labor-intensive forestry? What are the practical barriers for making it happen on a more widespread basis?

Jim Geisinger Question

- o You mentioned in your remarks that by taking a look at the whole forest landscape, rather than just the areas designated for timber production, the "overall health of the forest ecosystem will be better off..." Can you explain how this is the case?

Gus Kostopulos Questions

- o Woodnet sounds like a great concept. Can you tell us more about how you have helped, directly or indirectly, in the establishment of new, secondary manufacturing companies?
- o What are the biggest challenges entrepreneurs face in starting up these value-added companies? (is it financing, technical training, business training, lack of confidence..?)
- o How much grant money has it historically taken to run Woodnet?

Roslyn Heffner Questions

- o In your experience, what industries/jobs have been the easiest for displaced loggers to adapt to?
- o If you were offered more resources to assist displaced loggers, in what direction would you channel these resources -- that is would you spend more time/money on specific vocational training courses, would you offer more intense emotional counseling, would you offer direct monetary assistance? Where are the needs the most dire?
- o Are there ways in which the community and/or governments can assist workers to make transitions to new jobs easier?

- o Are services like yours readily available in most communities?

Rich Nafziger Questions

- o What do you mean by "new logging and management practices that preserve many of the attributes of old growth forests"? How widely has this sort of thing been practiced?
- o You suggest a capital gains tax break for new forestry investments -- can you describe how that would work?
- o Another interesting suggestion you made was investment tax credits for value-added industries. Again, could you walk me through what the tax credit would apply to?

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Panel: Bios / Views

Divider Title: _____

Presentation 1
Julie Norman
Headwaters

BACKGROUND:

Ms. Norman is President of Headwaters, a southwest Oregon grassroots group working for federal forestry reform through policy research, timber sale monitoring, public education, and negotiations/litigation. Ms. Norman analyzes Forest Service and BLM forest policies (in particular their use of computer simulation models and inventory data bases), which she uses to develop educational materials for the media, the public and Congress. She was voted "1992 Conservationist of the Year" by the Oregon Natural Resources Council. Ms. Norman has a B.A. in Mathematics and a M.A. in Computer Science from the University of Texas. Before becoming a federal forest advocate, she was employed as a computer systems analyst at IBM/NASA and later as a whitewater rafting guide.

HIGHLIGHTS:

- o Managing ecosystems is in everyone's economic interest, and this requires cooperative partnerships between industry and environmental interests.
- o We need new leadership at federal agencies to ensure compliance with existing laws.
- o We need to establish a permanent forest and watershed management system based on the latest scientific knowledge. In the meantime, we need to protect some special areas and have well-monitored timber sale programs on others.-----
- o Federal payments to counties should continue at historic levels for several years, and then decline.
- o Loans should be available for mills to retool for processing smaller trees and moving into value-added production.
- o Keep foresters in the woods with more labor-intensive forestry, watershed restoration, tree planting, harvesting non-timber forest products, and tourism.
- o Timber sale contracts should be designated for small businesses.
- o Community-based stewardship practices should be established for long-term sustainability.
- o Rural development projects should be established for farms, orchards and vineyards.

Presentation 2

Jim Geisinger
Northwest Forestry Association

BACKGROUND:

Mr. Geisinger is currently President of the Northwest Forestry Association, an organization that represents forest product manufacturers and forest landowners in Washington and Oregon that are dependent on public lands for fiber supply. He has over 17 years of experience working for forestry trade associations and has spent his entire career on resource issues affecting the management of federal forests. He was one of three industry representatives that participated in the Oregon Timber Summit of 1989 and frequently testifies before Congress.

HIGHLIGHTS:

- o First step: need short-term relief to break the legal gridlock and provide a large supply of federal timber -- it is needed this year
- o Recognize that the timber industry has already made significant compromises
- o Two keys to a fair and balanced solution:
 - take a new approach to managing the entire federal forest landscape instead of dividing it up and allocating certain areas for certain uses, and
 - allow land management agencies some degree ~~of~~ discretion
- o Need proper balance and appropriate sharing of risks between economic needs and environmental protection
- o Imperative that all environmental laws be scrutinized for consistency

Presentation 3

Gus Kostopulos
Woodnet

BACKGROUND:

Mr. Kostopolus is the Executive Director of Woodnet, a non-profit network of over 300 wood products manufacturers on Washington's Olympic Peninsula. As Executive Director, Gus assists member firms in their efforts to compete in national and global markets. Before establishing Woodnet, he held a number of management positions with an electronics firm, employing many of the techniques and strategies characteristic of flexible manufacturing. Before that, Mr. Kostopolus practiced law in Utah for 7 years. He has a B.S. in Political Science and a J.D. from the University of Utah.

HIGHLIGHTS:

- o Current climate is fear which leads to blaming Washington, environmentalists, and the spotted owl.
- o Woodnet: a non-profit corporation in Washington state whose goal is to encourage development of substantial secondary manufacturing
 - a network of over 300 independent wood products manufacturers (1-40 employees per firm)
 - manufacture a wide variety of products including decking, planter boxes, musical instruments, and canoes and paddles
- o Woodnet gets businesses to work collaboratively where it makes sense: catalogues, training sessions
- o Woodnet also encourages members to turn materials formerly regarded as waste into value added products (e.g. cedar shavings ==> cedar dog beds)
- o Goal for the future: establishment of a public/private manufacturing and training center to conduct market research and industrial engineering to encourage development of new manufacturing techniques for underutilized wood and wood fiber materials
- o Woodnet advocates sustainable forest management

Presentation 4

Roslyn Heffner
Vocational Counsellor

BACKGROUND:

Ms. Heffner has been operating her own vocational counseling service since 1987. She has focused primarily on assisting injured workers back to gainful employment, and has been one of the top placers in the region. Ms. Heffner's efforts are supported through the Department of Labor's Office of Workers' Compensation Programs. She is a registered nurse and has a masters degree in rehabilitation counseling.

HIGHLIGHTS:

- o Keep displaced loggers in the woods -- they are used to being outside with minimal supervision
- o Loggers would prefer being self-employed with seasonal work, rather than full time 40 hrs/week at a lower wage
- o Loggers would prefer to remain rural
- o Examples of creative responses: Christmas Tree Farms, repairing cars and motorcycles, growing fruits and vegetables
- o Difficult to place loggers in jobs requiring handling of small parts (as opposed to large saws, etc., used in the woods)

Presentation 5

Rich Nafziger
State of Washington

BACKGROUND:

Mr. Nafziger is currently Deputy Insurance Commissioner for Policy and Legislative Affairs for the State of Washington. Between 1988 and 1993 he served as Special Assistant to the Governor for Timber Policy and Rural Development and was Director of the Governor's Timber Team. In this capacity he was responsible for coordinating state policy and programs relating to forestry issues and timber community development. He also served as Executive Secretary of the Washington State Economic Recovery Board. Prior to 1988, Mr. Nafziger worked in several positions in state government and as an economic consultant.

HIGHLIGHTS:

- o Need to manage forests differently, in ways that preserve many of the attributes of old growth forests
- o Capital gains tax breaks for new forestry investments
- o Extract more value out of each tree harvested (i.e. more value-added wood products manufacturing)
- o Adjust trade policies to create level playing field with foreign competitors
- o Must attract capital to rural timber communities through creation of community development banks ----
- o Develop a coherent national retraining policy

OTHER PANELISTS (listed alphabetically)

Charley Bingham
Weyerhaeuser

BACKGROUND:

Mr. Charles Bingham is Executive Vice President of the Weyerhaeuser Company. He is director of Puget Sound Power and Light Company, chair of the Tacoma-Pierce County American Leadership Forum, vice president of The Mountains to Sound Greenway Trust, and a trustee of the Weyerhaeuser Foundation. He is past chair of the National Forest Products Associations Board of Governors and the University of Puget Sound Board of Visitors for the School of Business and Public Administration. Mr. Bingham graduated magna cum laude from Harvard College in 1955 and graduated from Harvard Law School in 1960.

HIGHLIGHTS:

- o Public expectations about national forests have changed with increasing recreational use -- not just timber anymore
- o Should have set-asides for aesthetics, recreation and timber harvesting
- o Private forests should be able to be managed like private farm lands
- o Interim legislation should free up timber harvests on federal lands
- o Should launch a Presidential/Congressional Commission to solve the gridlock
- o People in the community want predictability

Jim Coates
International Woodworkers of America

BACKGROUND:

Mr. Jim Coates is Vice President of the International Woodworkers of American Local 3-2. From 1990 to the present, he has served as Community Outreach Coordinator to provide information on training programs and available social service resources, including a food bank and food delivery service. He set up a weekly television broadcast, "People Helping People", through a local ministerial association to provide information to timber families about these resources. He also began a program called "The Pull Tab Program" for children within the county who have catastrophic illnesses. From 1987 to 1990, Mr. Coates was on leave of absence from Weyerhaeuser to the International Woodworkers of American as a Business Agent for the International Woodworkers of America Local 3-2. During this time he was assigned to provide outreach and counseling to affected Pen/Ply closure workers and to negotiate severance, health, welfare, and pension packages.

HIGHLIGHTS:

- o Sees the problem as resulting from a dwindling natural resource base combined with an inability to reach consensus on alternative logging schemes
- o Uncertainty is putting people of the region in a "dark hole" with no sense of what to do
- o Loggers and unions frustrated because they lack control over how business gets done on federal lands
- o Environmentalists are to blame for too much litigation and preaching
- o Retraining to what? what is needed is to involve everyone in developing new forestry techniques
- o Give the people a sustainable volume of timber and a chance to do value-added manufacturing

Bob Doppelt
Pacific Rivers Council

BACKGROUND:

Mr. Bob Doppelt is the Executive Director and co-founder of the Pacific Rivers Council. He began the Council because he owned a commercial river trip and fishing business for eleven years and experienced first hand the degradations to the Northwest's rivers and fisheries. He was chief strategist behind the landmark Oregon Omnibus National Rivers Policy Project Act of 1988. Mr. Doppelt designed PRC's National Rivers Policy Project which has created a new technical approach and led to new policy proposals for community and ecosystem based watershed protection and restoration. He is known as a creative national expert on riverine protection and restoration strategies, and has a growing reputation for developing new sustainable development strategies and programs. Mr. Doppelt holds masters degrees in environmental interpretation and in counseling psychology from the University of Oregon.

HIGHLIGHTS:

- o Clear link between salmon habitats and protection of old growth forests
- o Federal forests have been mismanaged -- whole ecosystems were not considered
- o Respects scientists and laborers the most
- o President must commit to a LONG TERM strategy, not short term quick fixes
- o As part of this, must address RURAL needs
- o His watershed management proposal should serve as the centerpiece of the plan -- this proposal will create jobs

Irv Fletcher
AFL-CIO

BACKGROUND:

Since 1981 Mr. Fletcher has been President of the Oregon AFL-CIO. Prior to that he was a public school teacher in Eugene for 18 years. He has served on the Oregon Progress Board, the Oregon Economic Development Commission, and the U.S. EPA's Clean Air Act Advisory Board. Mr. Fletcher has a B.S. in Education from the University of Maine and a M.S. from the University of Oregon in Industrial and Labor Relations.

HIGHLIGHTS:

- o Past timber practices have not been based on sustained yields -- some old growth needs to be preserved
- o Federal agencies haven't spoken to each other, George Bush was insincere -- Bill Clinton can solve this problem!
- o Need to eliminate the subsidies for exports
- o People desperately need some kind of certainty
- o "We are in a classic collective bargaining situation -- there needs to be give and take."
- o President needs to craft a plan that will pass Congress **this year**
- o Solution needs to be "injunction proof"
- o Need to take care of the towns like Roseburg that will be severely affected

Eric Hollenbeck
Blue Ox Millworks

BACKGROUND:

Mr. Eric Hollenbeck began working in the woods at age 14, first surveying for timber access roads and later logging. At age 24 Mr. Hollenbeck began the Blue Ox Millworks as a logging company. Three years later Mr. Hollenbeck, along with his wife, built their sawmill and have been manufacturing finished wood products for the last 17 years. They employ up to 8 people year round and process and use under 150,000 board feet of timber a year. Two years ago they opened the historic facilities for tours and this year they are opening a School of the Traditional Arts to educate tomorrow's woodworkers and entrepreneurs.

HIGHLIGHTS:

- o He does more with less -- uses salvage trees to create fine pieces of furniture
- o The U.S. should become the premier producer/exporter of fine wood products
- o Need to be able to support training for people who used to be loggers to become skilled in manufacturing value added products
- o Difficult to get loggers to make computer chips
- o Automation led to severe and unsustainable overharvesting
- o Extremists on both ends of this issue amassed great power and lots of money, so they don't want the conflict to end

Jim Irvine
National Association of Homebuilders

BACKGROUND:

Mr. Jim Irvine serves as Vice-President and Treasurer of the 157,000 member National Association of Home Builders, and is a home builder from Portland, Oregon. He is president of the Conifer Group, a construction, development, and property management company building primarily single family homes and light commercial developments. Active in housing issues at the local, state, and national levels, Irvine was twice named Builder of the Year by the Oregon State Home Builders Association. He has served as vice-chair on the Governor's Task Force on Land Use, as a member of the Governor's Task Force on Building Codes, and as a trustee of the Foundation for Oregon's Housing Future. He has served as a chairman for numerous committees, including Federal Government Affairs, State and Local Government Affairs, Deficit Reduction Task Force and NCMHI Mortgage Finance Committee. Irvine received his bachelor's degree from Portland State University, his Master's from the University of Southern California and did postgraduate studies at the London School of Economics.

HIGHLIGHTS:

- o Remove the injunctions
- o Need a consistent federal forest policy that deals with the health of the environment and the importance of timber supplies (moderate stance)
- o Increased prices for timber negatively impact new home sales

Andy Kerr
Oregon Natural Resources Council

BACKGROUND:

Mr. Andy Kerr is Conservation Director for the Oregon Natural Resources Council, a 20-year old coalition of more than 40 sports, conservation, recreation, commercial, and educational groups interested in the wise management of Oregon's lands, waters, and other natural resources. ONRC represents more than 6000 individual members and maintains offices in Portland, Eugene, and Bend. Mr. Kerr has worked extensively with both the Oregon Legislature and US Congress in Washington, D.C., seeking better legislative protection for Oregon's natural resources. The ONRC has been instrumental in the passage of all major natural resource conservation legislation benefitting Oregon since 1972, including the Oregon Forest Wilderness Act, the Endangered American Wilderness Act, and the federal Omnibus Oregon Wild and Scenic Rivers Act. Mr. Kerr has lectured on natural resource issues at all of the state's leading universities and colleges and at Harvard University. He has written numerous articles for various publications across the state and is a contributing editor of ForestWatch magazine.

HIGHLIGHTS:

- o Save the last of the virgin forests
- o Provide economic transition support for affected communities
- o Ban log exports

Katherine Mater
Mater Engineering

BACKGROUND:

Vice President of Mater Engineering, Ltd., a forest products engineering and market research firm based in Corvallis, Oregon, which has served the wood products industry for fifty years. She is recognized as an industry leader in researching and identifying value-added wood product manufacturing solutions which adapt to reduced raw resource supplies, yet offer high profits and job security for the wood industry. In 1990, she was selected by Oregon Governor Barbara Roberts to head the Wood Products and Timber-Dependent Communities Transition Team. In 1992 the U.S. Forest Service retained Ms. Mater to undertake the first study of its kind to ascertain the economic and environmental viability of processing and marketing special (non-wood-based) products from national forestlands. In 1993, Mater was selected by the Japanese government to represent the U.S. wood products industry in trade discussions. She holds a Bachelor's in Political Science and a Master's Degree in Civil Engineering from Oregon State University.

HIGHLIGHTS:

- o Historically we have never had to use our timber efficiently
- o There are demonstrated ways to increase profit while using less volume -- but industry is slow to adapt
- o Still need to be able to harvest
- ~~o~~ Must remove these decisions from the judges
- o Industry knows there must be cutbacks, but we need a certain supply of timber
- o Communities want to know the rules and want to have government stick by them
- o Worst thing would be status quo

Walter Minnick
TJ International

BACKGROUND:

Mr. Minnick is the CEO of a \$400 million facility, TJ International, one of the largest purchasers of veneer in the West. They have 1,000 employees in Oregon and own 4 mills on the west side of the Cascade Range. Mr. Minnick is a member of the Oregon and Washington State Bar Associations. He is currently a member of the Governing Council of The Wilderness Foundation, American Business Conference, Idaho Conservation League, and the Nature Conservancy. He is listed in Who's Who in America and was featured in the March 29, 1993 issue of Business Week. Mr. Minnick has a B.A. degree from Whitman College where he graduated Summa Cum Laude with honors in Economics in 1964. He attended Harvard University where he received an MBA in 1966, graduating Magna Cum Laude in 1969.

HIGHLIGHTS:

- o Running out of old growth and haven't faced up to it -- industry needs to adjust
- o Last 12 year of industry ignoring has brought us to the edge of a cliff
- o Need to determine how much old growth is needed for preservation of ecosystems (and that is not ALL old growth), and then harvest the remainder
- o Victims are the small, private community-oriented timber companies
- o People want this settled

Charles Ollivier
International Longshoremen and Warehousemen's Union

BACKGROUND:

Mr. Charles Ollivier has been an active participant in the International Longshoremen and Warehousemen's Union, Local 14 for 27 years, 12 of which were as President. He served numerous times as Chairman of the Labor Relations Committee, Caucus Delegate, and Political Officer. Presently he is elected Commissioner, 5th District, Humboldt Bay Harbor, Recreation, and Conservation District, and is the Vice President of the District. He has also been a member of the Executive Committee of the Central Labor Council which represents 23 independent unions, locally, and is one of the original members of the Citizens for Port Development, a local independent group of 100 people from all interests to encourage orderly progress toward port development, economic diversification, and encourage cooperation between all sectors.

HIGHLIGHTS:

- o Overcut forests during past Administrations ("industry has raped the forests")
- o Corporate executives pushed the anger of the workers onto environmentalists
- o Bill Clinton and Al Gore can solve this problem by using common sense and sitting down and talking
- o Diversification into other industries is important

Felice Pace
Klamath Forest Alliance

BACKGROUND:

Mr. Pace is Program Coordinator for the Klamath Forest Alliance, a community-based, non-profit organization based in Northern California. The KFA works to reform public land management with special emphasis on rehabilitating damaged watersheds on public land to restore salmonid and other fisheries at risk of extinction. Mr. Pace has lived in Siskiyou County for 18 years and has been active in forest issues since 1980. He also holds the positions of Conservation Chair and is a member of the Board of Directors of Marble Mountain Audobon Society. He works extensively in partnership with the Forest Service to promote sustainable forest management, restoration, and job development programs. Mr. Pace studied economics at Yale University, and has served as chairman of the California Ancient Forest Alliance.

HIGHLIGHTS:

- o There are no fish to catch
- o Overcutting is the problem
- o Federal lands play great role in biodiversity
- o Stop subsidies for timber harvest that leads to artificial profit for timber companies and timber workers
- o Leadership from federal government has been lacking
- ~~o~~ Need to rely on scientific investigations (leading to legislation)

Tom Robinson
Oregon Salmon Commission

BACKGROUND:

Tom Robinson has for the past six years been manager of the Oregon Salmon Commission which represents the Oregon troll fishermen and primary processors through product promotions, education, communications and research. He has served as an official salmon fishery representative on the Pacific Fishery Management Council By-Catch Committee and the Oregon Coho Review Committee. He recently participated on the Governor's Coastal Restoration Initiative Conference held in December of 1992.

HIGHLIGHTS:

- o Third generation Oregonian fisherman
- o Real interplay between decline in salmon species related to the increase in timber harvest (income to coastal communities: #1 is timber, #2 is salmon)
- o Salmon catches are 10% of normal levels
- o Government needs to coordinate its actions so that forests can be used for multiple purposes, accounting for the whole ecosystem

Dave Schmidt
County Commissioner, Linn County OR

BACKGROUND:

Mr. Dave Schmidt has served as County Commissioner of Linn County, Oregon since 1988. He is a member of the Council of Forest Trust Lands and is a Board Member on the Western Interstate Region of Public Lands, which interfaces with the Bureau of Land Management and the Forest Service on local issues. Mr. Schmidt often speaks at environmental conferences, and is a member of the Society of American Foresters.

HIGHLIGHTS:

- o Revenues to Linn County have declined 25% during the past three years, per capita income ranks 35 out of 36, and has the highest crime rate (on a per 100,000 basis)
- o Laws have been contradictory and science has been incomplete
- o Need legislation for stability; middle ground needs to be found
- o Need jobs so that families can live above the poverty level
- o The worst thing would be to have the courts retain control

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FOREST MANAGEMENT

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FOREST MANAGEMENT OVERVIEW

MARCH 31, 1993

Like other natural resource issues, the debate over the management of old-growth forests reflects the different values that people place on these forests and associated resources. However, unlike other issues, a substantial body of scientific information exists to craft a solution.

The Bush Administration chose to use this issue as a political wedge and provided little direction to the Federal agencies charged with management of the affected lands and resources. As a result, they contributed to the problem rather than trying to resolve it. Resolution is possible only if the agencies are given clear direction regarding what they should be managing for (i.e., what values they should seek to preserve) and a mandate for coordination and cooperation rather than confrontation.

THE FORESTS, THE AGENCIES, AND CURRENT MANAGEMENT

Federal forests lands affected by this controversy comprise 17 national forests -- 22.6 million acres -- in Washington, Oregon, and Washington and 6 Bureau of Land Management (BLM) districts -- 2.5 million acres on the Oregon coast. These lands are known as the "owl forests" because they have been at the center of the controversy over the protection of the northern spotted owl. Most timber sales on these forests have been enjoined pending completion of a plan to manage the forests that will provide for the "viability" of the owl and other old-growth associated species. However, some argue that the area of focus should include forests to the "east-side" of the Cascade Mountains, not affected by the owl, but of importance in dealing with a related management problem -- protection of salmon and the watersheds upon which they depend.

Currently, the Forest Service (in USDA) and the BLM (in the Department of the Interior) manage their forests in the region under different statutory direction. However, how one agency operates clearly affects the other. In addition, the U.S. Fish and Wildlife Service (FWS) and the National Marine Fisheries Service (NMFS) play a role in dealing with endangered species issues such as the owl and the marbled murrelet (FWS lead) and salmon (NMFS). The listing of a species as threatened or endangered requires each agency to review federal action -- like timber sales -- to be sure that these actions do not cause harm to the listed species or its habitat (resulting in a "taking").

Timber harvests in the region are approximately half of what they were during the previous decade and the FS and BLM are unable to prepare sufficient timber for sale to increase harvests in the short term. It is hoped that a remedy can be found to the

issue that would provide both intermediate and long-term relief to affected loggers, mill workers, and communities.

KEY SCIENTIFIC STUDIES

Four principle studies have been conducted to prepare a scientifically-based solution to the issue.

The Interagency Scientific Committee (ISC) was the first interagency effort to resolve the issue. It involved Forest Service, BLM, FWS, and National Park Service personnel. The study provided a scientific foundation for protecting the viability of the spotted owl, but was not implemented by the prior Administration. Instead, they attempted, unsuccessfully, to find holes in the Committee's report. The Forest Service is currently attempting to implement the recommendations of the ISC. However, the failure of the BLM to adopt a similar strategy has thwarted these attempts. All subsequent studies have built upon this landmark report, which called for the establishment of a series of reserves (no-cut areas) throughout the region and changes in how trees are cut in non-reserve areas to protect key elements of the remaining forest stands.

The report of the "Gang of Four" provided the basis for a broader strategy -- an ecosystem-based strategy -- for managing the federal forests in the region. The GANG is a group of four scientists who were requested by two House Committees to identify alternative means of protecting old-growth ecosystems and associated plant and animal species, including fish. Although no one strategy was presented, the alternatives presented a range of options extending from those that would produce high levels of timber to those that would take substantial lands out of timber production.

The draft spotted owl recovery plan, prepared pursuant to requirements of the Endangered Species Act (ESA) would have created a system of reserve lands and changes in management for both BLM and the Forest Service. It, too, was based on the ISC strategy, although it would have allowed some cutting in reserved areas (known as "DCAs" -- Designated Conservation Areas). While focussing on the management changes needed in the public forests, it did not deal with the issue maintaining an old-growth ecosystem nor the need to protect salmon and watersheds.

Finally, a Forest Service team of biologists recently completed a study in response to a directive from Judge Dwyer (who has placed injunctions on existing timber sales). This report and the corresponding strategy is based on the "Gang of Four" study, but also provides a basis for protecting an additional 667 species of plants and animals that are associated with old growth. The report was presented to Judge Dwyer several weeks ago.

These reports all have some common elements. First, they each use a system of reserves to anchor their protection strategies. None of these strategies would preserve all remaining old growth, but would place priority on preserving large stands of old-growth forest strategically located throughout the region. Second, outside the reserve lands, each approach provides for changes in management that retain elements of the existing forest stands. Clearcutting is eliminated entirely. Instead, selective cutting is used. Third, each strategy assumes that the burden of protection for the affected resource (e.g., owls or old-growth ecosystems) will fall completely on federal forests. This would reduce or eliminate existing constraints on timbering on private lands.

KEY MANAGEMENT CONSIDERATIONS

Determining what the federal forests in the Pacific NW and northern California should be managed for is the first key decision. If a resolution is sought that is based on sound science, is ecosystem-oriented (i.e., not focussed on individual species) and sustainable, then the reports described above should serve as the basis for its development. Remaining management issues include:

1. Determining what timber harvesting can occur with minimal disruption to the ecosystem, such as thinnings or salvage sales for diseased, downed, or dying timber;
2. Determining if timber should be harvested in reserve areas and, if so, what guidelines should apply;
3. Determining the scope of the solution -- i.e., should it deal only with owls, or should it include other species and purposes (e.g., protect old-growth ecosystems);
4. Determining the geographic scope of the issues to be addressed; and
5. Determining if the strategy should apply only to federal lands or include private forests as well.

SUMMARY

Three points must be considered:

1. There is NO FREE LUNCH with regard to this issue. Protecting ecosystems will require decreasing timber harvests.

2. PROTECTING ECOSYSTEMS IS DIFFERENT FROM PRODUCING BIG TREES. We know we can grow big trees, but we don't know if management can mimic the characteristics of an old-growth forest.
3. BALANCE is in the eye of the beholder. Simply complying with existing statutory requirements will necessitate a significant change in current management practices and reduce timber sales. If constructing a solution to this issue assumes that existing legal requirements will be met, then the options for a sustainable solution are limited.

SUSTAINABLE FORESTRY

In recent years, the management of our Nation's forests has become increasingly complex. Societal demands and expectations call for new strategies that go beyond merely reacting to resource crises and concerns. Implementing these strategies requires that forest managers have a better understanding of the roles ecosystem structure, function, and composition play in determining resource productivity and sustainability. A strong scientific underpinning is needed for major policy decisions about public lands and the environment. Trade-offs will be inevitable and will necessitate using alternative land management strategies that provide an acceptable mix of commodity production, amenity use, protection of environmental and ecological values, and biodiversity.

Background Concepts

- Sustaining forest products output does not automatically ensure ecological sustainability. Ecological sustainability will be assured only if the richness and diversity of life forms and ecological processes are maintained. Land must be allocated to uses that match its ecological suitability, taking into account social and economic considerations.
- In the past, the primary focus of forest management has been trees, since they are the most visible, dominant, and economically important organisms that inhabit a forest. However, all forest species (plants, animals and microorganisms) must interact and co-exist in the forest, each playing a role that is essential to the forest's continued well-being.
- Decisions on the allocation and management of forest land must be based upon sound forest policy. However, forest policies when based primarily on timber production objectives are often insufficient for good forest management. In the past, the interests of communities and the many sectors that use or influence forests, from tourism to water supply, were seldom given adequate attention; nor was the maintenance of environmental services and biodiversity often considered.

New Management Strategies

- A new model is needed that balances all uses in the management process and looks beyond the immediate benefits. Conserving diversity now is likely to alter immediate access to resources currently in demand in exchange for increasing the likelihood that long-term productivity, availability, and access are assured.
- An ecosystem approach to land management should focus on finding a balance between resource use and preservation, thereby reducing conflicts among competing economic, social, and environmental values. Implementing this approach will require a substantial expansion of the present knowledge base related to forest ecology and sustainable forestry practices.

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Science Report

Divider Title: _____

ANTICIPATED CRITICISMS OF
THE SCIENTIFIC ANALYSIS TEAM REPORT

What concerns are scientists associated with the forest industry raising about the Forest Service Scientific Analysis (SAT) Team Report?

**** The SAT Report is based on the opinions of leading scientists rather than empirical studies.**

The report was prepared by 24 top scientists. It was peer reviewed by representatives of 5 scientific societies.

They used empirical evidence when available. Team members recognize that they present qualitative, not quantitative, information. They sometimes based their qualitative discussions on the best available scientific information, as Judge Dwyer directed.

The scientists made their assessments; policy makers must decide how to use that assessment. To date, the Clinton Administration has not determined how to use the SAT assessment in making forest management decisions.

**** Industry will claim that the SAT Report exemplifies why Federal land management is being driven by the Endangered Species Act (ESA).**

To the contrary, the SAT report allows us to adopt wise management policies that can help avoid ESA listings. Agencies have not applied scientific advances to managing federal lands, thereby creating a situation where environmental groups legally challenge management plans.

**** Including species which have not been listed as endangered or threatened in the SAT Report will lead to stopping all timber harvest.**

Per Judge Dwyer's direction, the SAT expanded their analyses beyond spotted owls to include all old growth dependent species.

**** Forest Service scientists on the panel relied on a preservation/set aside approach for protection rather than protecting species through more stringent management.**

The SAT emphasizes protecting habitats because it provides the most comprehensive assurance for healthy populations. Scientists on the SAT are not satisfied that the forest management measures industry prefers provide adequate habitat protection. The measures favored by industry have not been proven to provide adequate protection.

**** Do spotted owls live in second growth forests?**

Spotted owls prefer old growth forests. They use older (50+ years) second growth forests as transportation corridors. In some areas, juvenile owls are spreading from old growth forests into adjoining second growth forests.

**** Industry will contend that a "moderate" level of risk of spotted owl viability with more monitoring will provide sufficient protection.**

SAT report assesses levels of viability and protection for different management scenarios. It focusses on high level of protection as "insurance" for threatened species. Again, the ultimate level of protection is a policy call that needs to be made not by scientists but by policy makers

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Legal Issues

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Legislation and Litigation

Litigation

There have been several major lawsuits filed against the federal government for failing to comply with federal environmental laws in relation to management of ancient forests and spotted owl habitat. There have been numerous other legal actions initiated by the timber industry, federal government, and conservation organizations related to the major lawsuits.

One major lawsuit challenges the U.S. Fish and Wildlife Service's decision to not list the northern spotted owl as a threatened species under the Endangered Species Act. Twenty-five groups filed suit in May, 1988, against the Agency asserting it failed to consider all the available scientific information and acted in an arbitrary and

apricious manner in denying the listing petition. The federal courts agreed and in November, 1988, ordered the agency to reconsider.

In June 1989, the agency finally proposed the owl for listing as a threatened species, and took final action in June, 1990 to list the owl.

A second major lawsuit was filed by conservation groups against the Department of Interior's Bureau of Land Management. That suit asserted that BLM's management plans, which permitted extensive logging of ancient forests, violated the National Environmental Policy Act and the Federal Land Planning and Management Act. The groups charged that BLM refused or failed to include new scientific information regarding the decline of the northern spotted owl in developing its logging plans.

Three times Congress in 1988, 1989, and 1990 enacted riders to the Interior Appropriations Act barring judicial review of federal land management agency actions, effectively prohibiting citizens from challenging the agencies in federal court. Although one federal district court judge found in 1989 that BLM had violated federal environmental law, the judge ruled that a congressional

1991, imposed an injunction on timber sales from 17 national forests, ruling that the federal government had engaged in a "deliberate and systematic refusal to comply with the laws protecting wildlife." The court gave the agency until March, 1992, to implement a new plan.

The Forest Service submitted a new plan to the court in March, 1992, and the court lifted the injunction. Environmental organizations immediately challenged the new plan as scientifically and legally inadequate and the court agreed. A new injunction blocking timber sales in owl habitat was issued and the court ordered the agency to develop and implement a new, revised management plan for the spotted owl by August, 1993.

FOREST CONFERENCE BRIEFING BOOK

LEGAL ISSUES

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FOREST CONFERENCE BRIEFING BOOK

LEGAL ISSUES

The principal laws that impact forest management in the region are:

The National Environmental Policy Act (NEPA): NEPA requires federal agencies to prepare environmental impact statements (EISs) analyzing the impacts of and alternatives to all agency actions that could significantly affect the quality of the human environment.

The National Forest Management Act (NFMA): NFMA mandates the development of comprehensive land management plans for each unit of the National Forest System. The NFMA overlaps with NEPA to some extent (for example, both require public involvement). NFMA regulations require that the Forest Plans be accompanied by an EIS.

NFMA also requires that regulatory guidelines for Forest Plans "provide for diversity of plant and animal communities...in order to meet overall multiple-use objectives." Forest Service regulations implementing this provision require the agency to maintain the "viability" of native and desired non-native vertebrate species within each planning area (National Forest). The "viability" requirement, independent of the Endangered Species Act, places a heavy scientific and management burden on the agency and may go beyond the requirements of the NFMA.

Laws Applicable Only to the Bureau of Land Management (BLM): The BLM in the Department of the Interior manages significant acreage of old growth forest in Oregon. Like the Forest Service, it is subject to NEPA and the ESA. But it is not subject to the NFMA. Instead, BLM manages most of the Oregon forests under its jurisdiction under the Oregon and California Revested Lands Act (O&C Act, enacted in 1937), and the Federal Land Policy & Management Act (FLPMA, enacted in 1976). These statutes differ somewhat from the NFMA, principally by not containing an explicit "diversity" or "viability" component. BLM prepares resource management plans (RMPs) for its forest lands that serve essentially the same purpose as Forest Service plans.

The Endangered Species Act (ESA): ESA requires federal agencies to conserve species formally identified ("listed") by the Fish & Wildlife Service (FWS) in the Department of the Interior or the National Marine Fisheries Service (NMFS) in the Department of Commerce (for certain fish species such as salmon) as "threatened" or

"endangered." ESA also requires federal agencies that are considering any "action" that might affect listed species to consult first with the FWS or the NMFS. Under the consultation process, FWS or NMFS may suggest restrictions on the action to prevent adverse impact on the species, or may issue a "jeopardy opinion" which, as a practicable matter, likely forecloses a federal action harmful to a listed species.

Under the terms of the ESA, the decision whether to "list" a species (and bring into play the consultation requirements) is determined solely on a biological basis, without considering economic or social impacts. The ESA also requires the FWS or NMFS to designate the "critical habitat" of a "listed" species, and to prepare a recovery plan for the species. These latter two processes may, under the ESA, consider economic factors. They also may trigger the NEPA requirement to prepare an EIS.

As a result of a court order, the FWS in 1990 listed the northern spotted owl (NSO) as an endangered species. NSO habitat overlaps much of the remaining old growth forests on federal lands in Oregon, Washington and northern California. Other species that are directly affected by timber harvesting in old growth forests in the Pacific Northwest have also been listed under the ESA more recently, including a small bird called the marbled murrelet and several species of salmon. These other species may lead to overlapping and/or additional timber harvesting restrictions in the region. In a broad sense, the legal battles over the protection to be accorded all these species are surrogates for the broader dispute over how much old growth forest to preserve from timber harvesting.

CURRENT LEGAL SITUATION

Currently, the Forest Service and the BLM are under separate injunctions restraining most timber harvesting on the lands they manage for failing to prepare or preparing inadequate EISs on various aspects of northern spotted owl (NSO) protection. There are several pieces of litigation brought by various coalitions of environmental groups pending before several different courts in Oregon and California and on appeal before the Ninth Circuit.

The Forest Service, which manages approximately 85% of federal NSO habitat, has been enjoined from offering new timber sales since 1989 on the ground that it has failed to develop an appropriate NSO protection standard, with full compliance with NEPA, to satisfy its species "viability" regulation implementing the NFMA. The latest injunction, entered by federal district Judge Dwyer in Seattle Audubon Society v. Moseley, is on appeal to the Ninth Circuit.

In the meantime, the Forest Service is currently drafting a supplemental environmental impact statement (EIS) under NEPA to correct the deficiencies identified by the federal court. Even assuming no new policy initiatives, the procedural requirements for public

comment will prevent the agency from implementing a new NSO protection standard and returning to federal court before September 1993.

BLM is currently under two injunctions - one under the ESA for failure to consult with the Fish & Wildlife Service (FWS) on its NSO protection strategy (Lane County Audubon Society v. Lujan), and a second for failure to comply fully with NEPA in its preparation of forest resource management plans (Portland Audubon Society v. Lujan). BLM is currently producing new EISs on six Resource Management Plans for lands it administers to cure these defects. The final EISs and plans are scheduled to be finished early this fall.

Significantly, in 1990, BLM took a path different from the Forest Service in dealing with the northern spotted owl on its lands. It adopted what came to be known as the "Jamison strategy," named after Cy Jamison, BLM Director under President Bush. This strategy rejected the constraints recommended by the Interagency Scientific Team (the so-called "Gang of Four" report, prepared by Jack Ward Thomas and three other scientists), and instead rested on the notion that lesser constraints would yield more timber harvesting. Part of this strategy involved seeking exemptions from the ESA requirements for 44 timber sales. In May 1992 the Endangered Species Committee created by the ESA (the so-called God Squad) exempted 13 of the 44 sales.

Environmental groups challenged the God Squad decision, arguing among other things that the White House illegally put pressure on God Squad members to exempt sales. In February 1993, the Ninth Circuit ruled that such pressure, if proved, would make the decision illegal, and it ordered a prompt inquiry into the facts. The federal defendants have sought to stay this inquiry pending the forest conference.

A few other pending lawsuits were brought by local governments or others resisting restrictions on timber harvesting. In one such suit, a federal district court in Oregon recently found that the FWS's failure to prepare an EIS on its designation of critical habitat for the owl violated NEPA (Douglas County v. Lujan).

GENERAL OBSERVATIONS

Compliance by the Forest Service and the BLM with applicable laws in old growth forests has been made more complex by, among other things, (1) the emergence of new scientific information (such as that leading to the listing of new species; e.g., the marbled murrelet); (2) the fact that agency land areas managed by particular agencies do not coincide with the broad landscape areas needed for "ecosystem management;" and (3) the fact that agency management strategies have not been consistent with each other, even though management issues sometimes cross the boundaries of an agency's jurisdiction.

For example, Judge Dwyer found the Forest Service's EIS on its owl strategy inadequate because after its preparation the BLM adopted the "Jamison strategy" and received an exemption from the Endangered Species Committee for some of its timber sales. The effect of BLM's "Jamison strategy" has been to increase, both practically and legally, the constraints on timber harvesting on the national forests. This is because the national forests must provide increased protection for the owl to "pick up the slack" left by the BLM's more timber-production-oriented approach.

Assuming a joint management strategy for old growth forests is developed by the Forest Service, BLM, and FWS, procedural compliance with applicable laws - principally, the requirement to solicit and consider public comments - could require the remainder of this year. Further delay could result from new court challenges and the emergence of new scientific information.

Private Land Timber Management: NEPA, the NFMA, and the O&C Act have no direct applicability to private lands. The court injunctions to date have applied only the first two of these laws, and have involved timber harvesting only on federal lands. (Interestingly, while the ESA has been an underlying factor in most of these cases, the courts are primarily enforcing NEPA and the NFMA in these cases, not the ESA.) The ESA does have some applicability to private lands, however, because it also prohibits anyone (private or public) from "taking" a listed endangered or threatened species. "Take" is defined broadly to include harassment or destruction of habitat. Therefore, companies logging on private land in NSO habitat need to be concerned with the ESA. So far there has been little direct effort to apply the Act to shut down private timber harvesting, but concern about "taking" a protected species during timber harvesting is a growing constraint on private timber management.

ATTACHMENT I

STATUTES AFFECTING FEDERAL AGENCY MANAGEMENT OF PACIFIC NORTHWEST OLD GROWTH FORESTS

March 22, 1993

Endangered Species Act (ESA)

ESA is administered by FWS and (1) requires FWS to list species, subspecies or distinct populations of a species which is in possible danger of extinction; (2) requires FWS to design a Recovery Plan to eventually delist the species and designate critical habitat (in practice often done long after a species is listed, if ever); (3) requires other agencies, such as BLM and FS, to "consult" on actions which may affect a listed species, and to forego actions which receive a "jeopardy" opinion; (4) prohibits "taking" of listed species even on private lands. Current listed species affecting forest policy in the Northwest are the NSO, marbled murrelet, and two runs of salmon.

- **No balancing allowed** between species protection and economic concerns for listing a species or during consultation with federal agencies -- issue is determined by scientific analysis only.
- **Balancing allowed** in Recovery Plans and designation of critical habitat, but the final result must protect the species.
- **Delays and cancellations** result in timber sales and other projects from the consultation, and can even affect on-going projects if a new species is listed or new information becomes available.
- **Additional delays will now occur** because of recent decision in Douglas County v. Lujan which requires an EIS before critical habitat can be designated, and which implies that an EIS would be required before a Recovery Plan is adopted.
- **Additional species may soon be listed** in the Northwest, especially stocks of Salmon and other anadromous fish which are greatly affected by forest practices in watersheds as far inland as Idaho.
- **Consultation must be reinitiated** if agency changes its management or new information becomes available.

National Environmental Policy Act (NEPA)

NEPA requires an Environmental Impact Statement (EIS) on major federal actions significantly affecting the environment, including FS/BLM Plans and individual timber

sales. NEPA presents particularly difficult problems for land management because of continuous development of new scientific information, continuous changes in the land to be managed, and requirements that areas outside the management control of the agency be analyzed.

- **Delays** amending or implementing FS/BLM Plans and Regional Guides by nine months to one year in order to produce a draft EIS, allow for public comments, and produce a final EIS. After Plans are adopted, another EIS (or smaller EA) must be written for each individual timber sale or project.
- **New information** developed after final EIS is written can require the EIS to be supplemented. New information can include a new species being listed under ESA, the publication of new scientific studies about the effects of timber harvesting or the biology of a listed species, or announcement that
- **Injunctions** are often issued by courts against all actions evaluated by the EIS if an EIS is not properly written or has not responded to new information.

National Forest Management Act (NFMA)

Federal Land Policy and Management Act (FLPMA)

These statutes require the Forest Service (under NFMA) and BLM (under FLPMA) to produce comprehensive "Plans" for each national forest or BLM district displaying intended management activities for the next 10-15 years. Regional Guides are created by Forest Service regulation for multi-Forest planning, but cannot replace Forest Plans. Extensive public involvement is required in producing the Plans. After these plans are adopted, timber sales and other projects must be separately proposed and must comply with the plans.

- **Delays in changing management policy** occurs as significant changes in the Plans can require producing a proposed plan amendment, a three month public comment period, and a final plan amendment.
- **New information**, such as the listing of a new species under ESA, can render a plan obsolete and courts may enjoin future management activities until the Plan is amended.
- **Additional protection on Forest Service lands** is required by the "viability" regulation implementing NFMA, which requires FS to manage so as to ensure the viability of species, even those not listed under ESA. The "viability" standard is greater than ESA and places a monumental scientific and management burden on FS. The viability regulation is arguably more extensive than required by NFMA.

Section 314 of FY 1988 and FY 1989 Interior Appropriation Act ("Section 314")
Section 318 of FY 1990 Interior Appropriation Act ("Section 318")

These appropriation riders insulated some BLM and FS timber sales from judicial review under ESA and NEPA. Many of these sales are still proceeding and a few have not yet been sold yet.

Section 322 of FY 1993 Interior Appropriation Act ("Section 322")

Appropriation rider modified the Forest Service appeals process (which was not required by statute) to require administrative appeals on individual timber sales and other projects, along with automatic stays of the project until a decision is rendered.

- **3 1/2 to 5 month delay** will be required before harvesting can begin after a timber sale decision notice is signed.

Other Statutes

Administrative Procedures Act (APA)
 American Indian Religious Freedom Act
 Antiquities Act
 Archeological Resources Protection Act
 Clean Air Act
 Clean Water Act
 CERCLA (Superfund)
 Coastal Zone Management Act
 Federal Insecticide, Fungicide and Rodenticide Act (FIFRA)
 Forest and Rangeland Resources Renewable Planning Act (RPA)
 Migratory Bird Treaty Act (MBTA)
 National Historic Preservation Act
 Resource Conservation and Recovery Act (RCRA)
 Safe Drinking Water Act
 Surface Mining Control and Reclamation Act
 Wild and Scenic Rivers Act
 Wild Horse and Burrow Protection Act
 Wilderness Act

ATTACHMENT II

FEDERAL AGENCY CASES RELATED TO MANAGEMENT OF PACIFIC NORTHWEST OLD-GROWTH FORESTS

March 22, 1993

Northern Spotted Owl Issues

FOREST SERVICE

February, 1989 - Seattle Audubon Society v. Robertson (D. Wash. [Judge Dwyer] & 9th Cir. & U.S. Supreme Court) - Court issued preliminary injunction finding the Forest Service 1988 Spotted Owl Amendment to Regional Guide likely violated NEPA and NFMA viability regulation. Case evolved into Seattle Audubon Society v. Evans.

October, 1990 - Seattle Audubon Society v. Evans (D. Wash. [Judge Dwyer] & 9th Cir., amended complaint from Seattle Audubon Society v. Robertson) - Court found illegal the procedures used to adopt ISC recommendations for NSO management by Federal Register notice. Case evolved into Seattle Audubon Society v. Moseley, but attorneys fees are still pending.

March 6, 1992 - Sierra Club v. Butruille (W.D. Wash. [Judge Dwyer]) - Court found illegal the failure to decide administrative appeals related to NSO issues on three FS Forest Plans. Statutes involved are NFMA, NEPA and APA. Attorneys fees are still pending.

March 25, 1992 - Seattle Audubon Society v. Moseley (W.D. Wash. [Judge Dwyer]) - Court found EIS deficient for 1992 FS Regional Guide Amendment for Northern Spotted Owl for not considering (1) BLM not adopting the ISC strategy and ESC exemption, (2) new NSO demographic information, and (3) the effect of the NSO strategy on the viability of all other species to comply with NFMA viability regulation. Judge Dwyer has issued a broad injunction prohibiting disturbance of suitable NSO habitat in Oregon, Washington and northern California. FS ordered to correct deficiencies in the EIS by August 20, 1993.

BUREAU OF LAND MANAGEMENT

October 19, 1987 - Portland Audubon Society v. Lujan (D. Ore. [Judge Frye] & 9th Cir.) - Court held BLM's failure to supplement EISs for seven Timber Management Plans with new information about NSO violated NEPA, and issued a broad injunction against selling timber until new EIS is produced. Decision pending in 9th Cir.

April 4, 1991 - Lane County Audubon Society v. Jamison (D. Ore. [Judge Jones]) - Court found the failure to consult on the "Jamison Strategy" for NSO protection violated ESA and issued injunction against affected timber sales.

March 3, 1992 - Sierra Club v. Lujan (D. Ore. [Judge Marsh]) - Court held BLM violated ESA by not obtaining ESA consultation on a right-of-way agreement which would facilitate timber harvesting on private inholdings containing NSO habitat.

June 1992 - Portland Audubon Society v. Endangered Species Committee (9th Cir.) - On 2/10/93, court ordered ALJ to be appointed to investigate whether illegal ex parte communication occurred between the White House and members of the Endangered Species Committee.

FISH AND WILDLIFE SERVICE

May 5, 1988 - Northern Spotted Owl v. Lujan (W.D. Wash. [Judge Zilly]) - Court has held that FWS decision to not list the NSO violated ESA and FWS subsequently listed NSO as threatened. Case then evolved into a challenge to FWS not designating critical habitat and FWS has subsequently designated critical habitat. Case has not yet been dismissed.

June 14, 1991 - Sweet Home Chapter of Communities v. Lujan (D.D.C. [Judge Johnson] & D.C. Cir.) - District court denied challenges to certain FWS regulations implementing ESA. Plaintiffs have appealed to the D.C. Cir.

October 1, 1991 - Douglas County v. Lujan (D. Ore. [Judge Hogan]) - Court FWS failure to produce an EIS before designating critical habitat for the NSO violated NEPA. Court is currently considering whether to issue an injunction.

July 31, 1992 - Trinity County v. Lujan (D.D.C. [Judge Holloway Johnson]) - Challenge to FWS critical habitat designation for the NSO for not properly considering economic costs. Oral argument is not yet scheduled.

Marbled Murrelet Issues

FISH AND WILDLIFE SERVICE & FOREST SERVICE

April 17, 1991 - Marbled Murrelet v. Lujan (W.D. Wash. [Judge Rothstein]) - Court found the FWS illegally delayed listing the marbled murrelet under ESA. After FWS listed the marbled murrelet on 9/28/92, plaintiffs challenged FS Forest Plans for compliance with NFMA viability regulation. FS has voluntarily ceased new timber sales of marbled murrelet habitat. Decision is currently pending.

Salmon and Anadromous Fish Issues

FOREST SERVICE

July 1, 1992 - Forest Conservation Council v. Madigan and Mountain State Legal Foundation v. Madigan (D. Idaho) - Section 7 consultation (salmon) and NEPA on a road permit to Yellow Pine, Idaho. Statutes involved are ESA, NEPA, and APA.

August 5, 1992 - Aluminum Co. of America v. Brown et al. (D. Ore.) Challenge to salmon management by FS, FWS, COE, BPA, BLM, and NMFS. Statutes involved are ESA and APA.

October 26, 1992 - Oregon Rivers Council v. Robertson (D. Ore.) - Challenge to failure to consult on Umatilla and Wallaw-Whitman NF forest plans because of 1992 salmon listing. Statutes involved are NFMA and NEPA.

February 22, 1993 - Idaho Conservation League v. Clark (D. Id.) - Challenge to FS grazing permits in the Stanley Basin Sawtooth NF focusing on listed salmon and other fish. Statutes involved are NFMA, NEPA, and ESA.

Old Growth Issues

FOREST SERVICE

May 15, 1992 - Pilchuck Audubon Society v. USFS (E.D. Wash.) - Challenge to Wenatchee, Okanogan and Colville NF Forest Plans on forest health grounds. Statutes involved are NFMA and NEPA.

June 29, 1992 - Save Chelan Alliance v. USFS (E.D. Wash.) - Challenge to timber harvesting in Lake Chelan watershed Wenatchee NF. Statutes involved are NEPA and NFMA.

September 9, 1992 - Oregon National Resources Council v. Lowe (D. Ore.) - Challenge to old growth Forest Plan amendment on Winema NF. Statutes involved are NEPA and NFMA.

APA -	Administrative Procedure Act
BLM -	Bureau of Land Management (Department of the Interior)
ESA -	Endangered Species Act
FS -	Forest Service (Department of Agriculture)
FLPMA -	Federal Land Policy Management Act
FWS -	Fish and Wildlife Service (Department of the Interior)
MBTA -	Migratory Bird Treaty Act
NEPA -	National Environmental Policy Act
NFMA -	National Forest Management Act
NSO -	Northern Spotted Owl

ATTACHMENT III

CHRONOLOGY OF KEY ACTIONS RELATING TO THE NORTHERN SPOTTED OWL AND OTHER NORTHWEST FOREST ISSUES

March 22, 1993

- | | |
|----------|--|
| Jun 1960 | Congress enacts Multiple-Use, Sustained Yield Act (MUSYA) ratifying Forest Service's renewable resource policy and granting broad discretion to consider the relative values of the various resources. |
| Sep 1964 | Congress enacts the Wilderness Act providing for preservation of certain areas of public lands untrammelled by man. |
| Dec 1969 | Congress enacts the National Environmental Policy Act (NEPA) with an action forcing provision for detailed statements for major federal actions significantly affecting the quality of the human environment. |
| Dec 1973 | Congress enacts the Endangered Species Act (ESA) providing for listing of threatened and endangered species, Federal agency consultation on actions affecting, duty to conserve, prohibitions on taking, critical habitat designation and recovery plans. |
| Aug 1974 | Congress enacts Forest and Rangeland Renewable Resources Planning Act (RPA). Establishes President's Statement of Policy, 10-year Renewable Resources Program, 5-year Resources Planning Act Program (RPA Program) and provides for "unit planning." |
| Oct 1976 | Congress amends RPA and enacts specific land use planning requirements for Forest Service in the National Forest Management Act (NFMA), and enacts the Federal Lands Policy and Management Act (FLPMA) for the Bureau of Land Management. NFMA and FLPMA provide no express direction on coordination with other land management and environmental protection laws or judicial review of agency actions. |
| Nov 1978 | Congress amends ESA adding notice and comment for listing, consideration of social and economic values in critical habitat designation, and creates the Endangered Species Committee. |
| Sep 1979 | USDA publishes NFMA Forest Planning Regulation with a provision for fish and wildlife habitat to be managed to maintain viable populations of all existing native vertebrate species. 36 CFR 219.12(g) (1979). The viability regulation was amended in 1982. 36 CFR 219.19 (1992). |
| Aug 1983 | USDA establishes sensitive species policy to maintain viable populations of |

existing native and desired non-native plants, fish and wildlife species.

- Mar 1984 Forest Service adopts guidelines for managing NSO habitat on national forests in Washington and Oregon as part of Region 6 Regional Guide to fulfill NFMA viability requirements.
- Oct 1987 PAS v. Hodel (D. Ore.) filed alleging the BLM's practices in Oregon and California violate NEPA, the O&C Act, FLPMA, and MBTA.
- Dec 1987 Congress enacts Section 314 of the FY 1988 Interior Appropriations Act to prohibit judicial review of BLM timber plans that do not incorporate new information.
- Apr 1988 Court dismisses PAS v. Hodel on the grounds that it constitutes a "new information" claim of the type Section 314 prohibits.
- May 1988 Environmentalists file Northern Spotted Owl v. Hodel (W.D. Wash.) alleging that Fish and Wildlife Service (FWS) decision not to list the NSO violates ESA.
- Sep 1988 Congress reenacts Section 314 without change in the FY 1989 Interior Appropriations Act.
- Oct 1988 Congress amends ESA. Requires notice and opportunity for public comment on Recovery Plans.
- Nov 1988 Court rules in NSO v. Hodel rules the FWS decision not to list the NSO violates ESA and gives FWS until May 1, 1989 to reconsider its decision.
- Dec 1988 Secretary of Agriculture orders reconsideration of NSO protection and the Forest Service adopts the Spotted Owl Habitat Area (SOHA) approach to management of NSO habitat with an Environmental Impact Statement (EIS).
- Jan 1989 Ninth Circuit reverses the April 1988 ruling in PAS v. Lujan and remands it for further proceedings.
- Feb 1989 Timber industry and environmental groups file challenges to the Forest Service's December 1988 NSO Regional Guide amendment.
- Mar 1989 Court issues a preliminary injunction against the Forest Service in SAS v. Robertson because the SOHA strategy likely violates NFMA and NEPA.
- May 1989 In PAS v. Lujan, court finds BLM violated NEPA by failing to consider new information about the NSO, but that such claims were prohibited by Section

314.

- Jun 1989 FWS proposes to list the NSO as a threatened species.
- Sep 1989 Ninth Circuit affirms ruling in Portland Audubon Society that Section 314 strips the courts of the ability to hear any NEPA challenge to the BLM's timber sale program. However, it reverses ruling on non-NEPA claims, dissolves the temporary injunction pending appeal, and sends the case back to the district court for further proceedings.
- Oct 1989 Congress adopts Section 318 of the FY 1990 Interior Appropriations Act, which attempts to insulate Forest Service and BLM timber sales from judicial review. The Forest Service is ordered to revise its NSO protection by September 30, 1990. Section 312 of the Interior Appropriations Act contains the same language that was in Section 314 of the FY 1988 and 1989 Acts.
- Oct 1989 Forest Service and BLM ask courts to dismiss SAS v. Robertson and PAS v. Lujan in light of the Section 318 legislation.
- Nov 1989 Court lifts preliminary injunction against the Forest Service in SAS v. Robertson.
- Dec 1989 Court dismisses PAS v. Lujan.
- Feb 1990 Ninth Circuit rules that even challenges to individual timber sales are barred by Section 312, allowing those sales specified by Section 312 to proceed.
- Apr 1990 Interagency Scientific Committee (ISC), known popularly as the Thomas Committee, releases its report proposing a joint federal strategy to conserve NSO habitat.
- Jun 1990 FWS lists the NSO as threatened, but does not also designate "critical habitat".
- Sep 1990 Ninth Circuit rules that Section 318(b)(6)(A) of the FY 1990 Interior Appropriations Act is unconstitutional because it impermissibly interferes in ongoing litigation by telling the courts how to rule in two specific cases involving Forest Service and BLM management of the NSO. Supreme Court reversed the Ninth Circuit.
- Sep 1990 The BLM announces the "Jamison Strategy" for NSO protection and timber harvesting rather than the ISC strategy adopted by the Forest Service.
- Sep 1990 Department of Agriculture announces in the Federal Register its intent to

"conduct timber management activities in a manner not inconsistent" with the ISC report and in full compliance with ESA.

- Feb 1991 In NSO v. Hodel, Court rules that the FWS violated ESA by not designating critical habitat concurrent with the listing of NSO without EIS.
- Mar 1991 In SAS v. Evans, court finds the Forest Service violated NFMA regulations by not preparing an EIS while adopting ISC.
- Apr 1991 Lane County Audubon Society v. Jamison (D.Ore.) is filed challenging the BLM's failure to consult with FWS on the "Jamison Strategy" (Lane County).
- May 1991 U.S. House of Representatives Committee on Agriculture and Committee on Merchant Marine and Fisheries requests assistance of scientific panel, known as the "Gang of Four", to identify alternative strategies for protection of old growth forest ecosystems and the NSO.
- May 1991 In SAS v. Evans, court issues an injunction against timber sales of suitable NSO habitat in 17 national forests until the agency complies with NEPA and NFMA procedures and adopts a plan for protecting the NSO and orders the agency to have the new protection in place by March 5, 1992.
- Jun 1991 FWS proposes listing the marbled murrelet as a threatened species in Washington, Oregon and northern California.
- Jul 1991 In PAS v. Lujan, court rules that Section 312 of the bars "new information" claim against BLM under NEPA.
- Sep 1991 In Lane County, court rules that the BLM violated the ESA by failing to consult with FWS on the Jamison Strategy. The BLM is enjoined from implementing the Strategy until it consults with FWS regarding its impact on the NSO.
- Sep 1991 Secretary Lujan convenes the Endangered Species Committee to review BLM's application to exempt 44 timber sales under ESA.
- Sep 1991 Forest Service releases its draft EIS and NSO management plan as required by NFMA regulations and NEPA to comply with May 1991 order in SAS v. Evans.
- Dec 1991 In NSO v. Hodel, the court denies the FWS request to further delay designating critical habitat for the NSO.
- Dec 1991 Ninth Circuit upholds the May 1991 ruling and injunction in SAS v. Evans. Ninth Circuit also reverses the July 1991 ruling in PAS v. Lujan that Section

314 is still in effect and remands the case back to the district court to consider whether BLM has complied with NEPA in preparing its timber sale program.

- Mar 1992 Ninth Circuit upholds the September 1991 ruling in Lane County holding that the BLM violated the ESA by refusing to consult with FWS on the Jamison Strategy. The court also enjoins any future BLM timber sales until the BLM consults with FWS on the individual sales, on the Jamison Strategy, and on any other NSO conservation plan, including the existing timber management plans.

- Mar 1992 Assistant Secretary Moseley signs a ROD and EIS to fulfill the procedural requirements of May 1991 order in SAS v. Evans. Similar to the September 1990 Federal Register announcement, it adopts a NSO protection strategy on Forest Service lands not inconsistent with ISC.

- Mar 1992 A new lawsuit is filed in federal district court in Washington challenging the Record of Decision issued by the Forest Service on grounds that the agency failed to comply with NFMA and NEPA, Seattle Audubon Society v. Moseley (W.D. Wash).

- May 1992 Endangered Species Committee grants an exemption for 13 of the 44 BLM timber sales at issue, with the condition that the BLM abide by the NSO recovery plan until it adopts its new 10-year forest management plans (RMPs).

- May 1992 NMFS lists salmon stocks under ESA. First Salmon case filed August 1992. There are currently several lawsuits regarding salmon protection involving FWS, NMFS, FS, BLM, U.S. ACE, and BPA. The lawsuits allege violations of the ESA, NEPA, APA, and NFMA viability regulations.

- May 1992 The Department of the Interior releases its draft recovery plan for NSO.

- May 1992 In SAS v. Moseley, the court rules that EIS violated NEPA because it failed to consider: (1) the BLM ESC exemption, (2) new demographic NSO information, and (3) low viability rating of other old growth species. The court issues a preliminary injunction against new Forest Service timber sales in NSO national forests.

- Jun 1992 In PAS v. Lujan the court rules that BLM violated NEPA by refusing to update its forest management plans to reflect the impact of logging on the NSO and its habitat. A permanent injunction is issued that halts all new BLM timber sales in NSO habitat in Oregon until the agency updates its plans.

- Jun 1992 Ten environmental groups file Portland Audubon Society v. Endangered Species Committee (9th Cir.) seeking to overturn the Endangered Species

Committee's decision to exempt 13 timber sales in Oregon (PAS v. ESC).

- Jul 1992 The court issues an injunction in SAS v. Moseley barring any new Forest Service timber sales in NSO habitat in Regions 5 and 6 until revised standards and guidelines complying with NEPA and NFMA are in effect.

- Jul 1992 Chief of the Forest Service orders a Scientific Analysis Team (SAT), led by Jack Ward Thomas, to examine several scientific issues related to SAS v. Moseley.

- Aug 17 1992 In SAS v. Moseley, the court rejects a Forest Service request to lift the injunction barring logging of NSO habitat and orders it to complete a new ROD by August 10, 1993 and to provide the court with compliance progress reports on November 20, February 26 and May 21.

- Sep 15 1992 In Marbled Murrelet, the court rules that FWS delay in listing the marbled murrelet violates ESA. The marbled murrelet habitat overlaps with NSO habitat along the Pacific coast.

- Sep 28 1992 FWS lists the marbled murrelet as a threatened species.

- Nov 20 1992 In SAS v. Moseley, the Forest Service reports to the court that the SAT is analyzing the scientific issues and a committee has been appointed to preparing a Draft Supplement to the Environment Impact Statement on Management for the NSO and filed a schedule for complying with the court order.

- Dec 04 1992 In Douglas County v. Lujan, the court rules that FWS failed to comply with NEPA when designating critical habitat for the NSO.

- Jan 13 1993 Forest Service announces Interim Guidelines to amend the Regional Guide and 11 Forest Plans to provide protections for the California Spotted Owl (CSO). The Interim Guidelines are expected to be in effect for two years while a more permanent strategy is developed and significantly reduce timber harvest in the Sierran Province of California to comply with the NFMA viability regulation. Because of the additional protections, the FWS does not list the CSO under ESA.

- Jan 28 1993 Forest Service announces that it will not offer any additional timber sales in marbled murrelet habitat until its scientists can complete a habitat conservation assessment study and more permanent strategy can be developed.

- Feb 10 1993 In PAS v. ESC, Ninth Circuit orders appointment of an Administrative Law Judge to determine whether ex parte communications occurred in the 1992

ESC consideration of the BLM exemption application.

- Feb 26 1993 In SAS v. Moseley, the Forest Service reports to the court that it is working on the Draft EIS and that an announcement on a Forest Conference is expected soon. The Forest Service offers to file another status report on March 19.
- Mar 10 1993 White House announces the President will convene a Forest Conference on April 2 in Portland.
- Mar 19 1993 In SAS v. Moseley, the Forest Service reports to the court that it is releasing the SAT report but that it will be unlikely to meet the August 20, 1993 deadline for producing a new ROD and EIS.
- Mar 19 1993 FWS sends a pre-draft Biological Opinion to the Forest Service giving "jeopardy" opinions on 102 timber sales, all Section 318 sales. 96 "jeopardy" opinions are for impacts to marbled murrelets and 6 are for impacts to NSO.

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ECONOMIC ISSUES

Divider Title: _____

ECONOMIC IMPACTS AND POLICY OPTIONS
FOR PACIFIC NORTHWEST FORESTS

THE FOREST CONFERENCE
April 2, 1993

RECENT TRENDS IN THE FOREST-BASED ECONOMY

Timber Harvests

The Forest Service and BLM manage about 25 million acres of lands in Washington, Oregon, and northern California in the spotted owl range west of the Cascades. About 43% of timberland in the affected region is owned by the Federal Government, with the rest in state or private hands. During the 1980s, about 30% of the lumber produced in the U.S. came from the northern spotted owl region, where about one-third of the timber harvests occur on Federal lands. Therefore, about 10% of domestic timber supply is potentially affected by spotted owl protection.

Timber harvests from Forest Service and BLM lands in the northern spotted owl region grew from a recession low of 2.4 billion board-feet (bbf) in FY 1982 to a peak of 6.7 bbf in FY 1988. Two-thirds of this total -- almost 4.5 bbf -- was harvested in Oregon, another 20% came from Washington, while 13% of the FY 1988 timber harvest in the spotted owl region came from northern California. Federal harvests in the spotted owl region have plummeted by 66% since the FY 1988 peak, due to the recession and the spotted owl and old growth controversy. By FY 1992, the overall Federal harvest in the spotted owl region had fallen to about 2.3 bbf.

Employment and Income

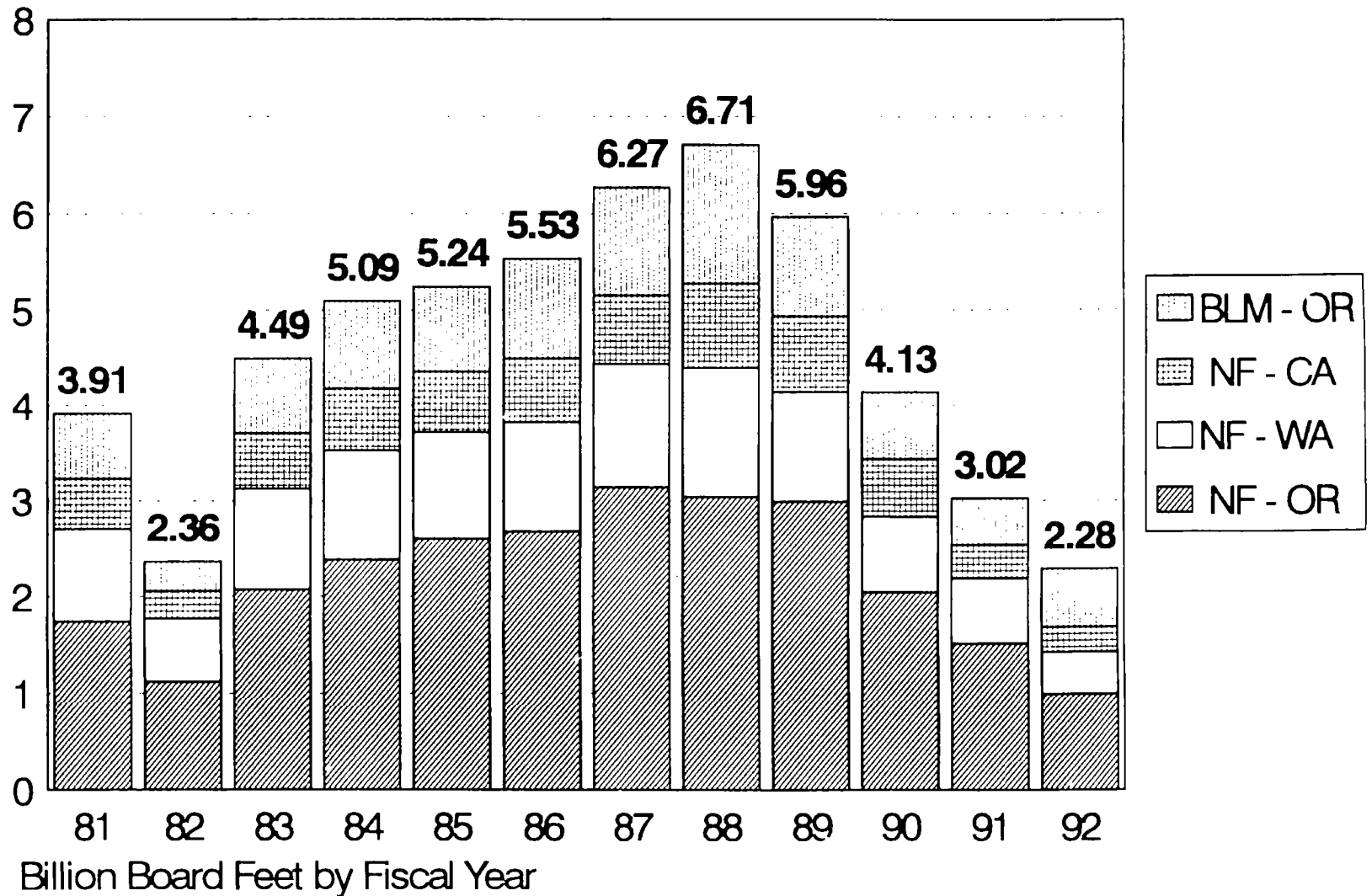
The timber industry, though historically important as a source of employment in the northwest, has been declining in importance as other sectors of the economy have grown. In 1970, timber-related jobs accounted for about 10% of total regional employment. By 1989, employment in the forest-related product sectors in Washington and Oregon was at about 135,700 (about 4% of total regional employment) and has dropped to about 115,000 in 1992.

Increased mechanization in harvesting, transporting, and milling has reduced employment in the forest products industry. During the 1980s, for example, the number of jobs in the lumber and wood products sectors declined from 10 jobs per million board feet of harvest to below 8 jobs per million board feet. This trend preceded the old-growth controversy; while the spotted owl is often blamed for weak employment in the forest-based economy, steady increases in labor productivity will continue to depress employment at any level of timber harvest.

Historic Timber Harvest

Northern Spotted Owl National Forests & BLM Districts

2



Real wages in the Northwest forest products sector also declined during the 1980s, as weak labor market conditions in rural areas offset potential wage gains from productivity improvements. Wages in the forest product industries have historically been higher than regional average wages, but this difference narrowed somewhat during the 1980s.

The number of mills has been declining steadily over the past 25 years; industry contraction predates the current spotted owl controversy. In 1968 Oregon had 300 sawmills and California had 216 sawmills, but by 1988 these figures had shrunk to 165 sawmills for Oregon and 93 for California. Figures for Washington are similar -- the number of sawmills fell from 182 in 1978 to 118 in 1988, while the total number of wood processing establishments (including veneer & plywood, pulp, shake and shingle plants and other operations) fell from 764 in 1978 to 351 in 1988.

Trade in Timber

There is a ban on exports of logs harvested on all Federal lands and from state lands in the Pacific Northwest region. However, substantial volumes of unprocessed timber cut from private lands in the Northwest are exported to Japan, Korea, and China. Softwood log exports from the region rose from 2.1 billion board feet in 1981, peaked at over 3.6 bbf in 1988, and fell to 2.5 bbf in 1991. Exporting raw logs rather than finished lumber products denies U.S. sawmill operators and workers the opportunity to add value to the product, but increases income to landowners and dockworkers. Some environmentalists and labor leaders have pushed for export constraints on private timber, which is fervently opposed by private landowners and agricultural export interests.

Timber companies receive approximately \$100 million in tax preferences annually from the Foreign Sales Corporation tax incentive program. Some environmentalists and labor leaders support the elimination of these tax preferences on raw log exports, which they contend would raise additional federal revenues and help maintain employment at domestic milling operations.

The U.S. also imports large quantities of Canadian lumber: about 30% of the lumber used in the U.S. comes from Canada. In May 1992, the International Trade Administration of the Department of Commerce imposed a countervailing duty on Canadian lumber imports of 6.51%, which is equal to the estimated Canadian subsidy for lumber production. Timber interests on both sides of the border accuse each other of receiving government subsidies.

Economic Conditions in Timber-Dependent Regions

Many rural counties, particularly in Washington and Northern California, have had significantly higher unemployment rates than Northwestern metropolitan areas or the U.S. as a whole. Timber-

dependent rural communities were particularly hard hit in the past few years, as (1) increased mechanization continued to decrease employment; (2) the recession of 1991-1992 reduced the demand for lumber; and (3) Federal timber harvests dropped sharply due to court-ordered injunctions restricting timber sales as a result of the spotted owl controversy.

The reduction in Federal timber harvests has effected timber-dependent communities in two main ways. First, timber related employment (e.g. logging and milling jobs) has declined and the lost income has depressed economic activity in some areas. Second, many communities that depend on receipts from logging on Federal lands to provide funding for community schools and roads have seen their county budgets fall significantly. The payments to counties in the spotted owl region peaked at \$374 million in FY 90, but had fallen to \$253 million in FY 92. The counties' share would have fallen more sharply without a "safety net" provision that sets a floor payment at 85% of the FY 86 - FY 90 average payment for each county. The combined impact of reduced labor income and strained public budgets has caused some communities to experience significant economic and social distress.

Timber Prices

Although lumber demand is now increasing, timber production in the Northwest is unable to respond with higher harvests partly because of court injunctions blocking Forest Service and BLM timber sales. This has contributed to a recent 90% run-up in nationwide lumber prices, **but is not the sole cause.** A recent Congressional Research Service study suggests that several factors are also contributing to the increase in lumber prices. These include regular seasonal price fluctuations (about 10% on average), the price increase normally associated with economic recovery in the housing sector (historically pushing prices up by about 30% at this point in a recovery) and the 6.51% countervailing duty on Canadian imports.

Economic Conditions in the Northwest Region

In general, economic growth in the past two decades has diversified a regional economy that was once much more heavily dependent on manufacturing and timber. Although many rural counties are vulnerable, overall economic conditions and trends in the Northwest show substantial strength. Employment growth in Washington and Oregon has consistently exceeded the U.S. average rates, and the recent recession had a relatively mild impact on the overall regional economy. Although Boeing recently announced about 20,000 layoffs in Washington State, the region does not appear to be vulnerable to near-term base closings or other significant economic downturns.

II. IMPACTS OF FOREST MANAGEMENT PLANS

Economic Impacts

Even if timber production on Federal forestland is not restricted to protect habitat, harvests and employment would have declined. For example, forest plans drawn up before the spotted owl was listed projected Federal timber harvests to fall to 4.4 billion board feet by the mid-1990s, or roughly 2 bbf less than the peak harvests of the late 1980s.

Forest management plans that protect habitat restrict the amount of Federal land available for timber production and further reduce harvest levels. The economic costs of lower timber sales include:

- Reduced employment in the timber industry, lower profits, and lumber mill closings, and reduced employment in related industries;
- Lost income while people are unemployed or when they are reemployed at lower wages;
- Smaller contribution to Federal revenues from Federal forests;
- Smaller payments to counties from Federal timber revenues.

Some offsetting benefits will be created by the preservation of forestland and by the market response to higher timber prices likely to result from lower Federal timber harvests, including:

- Higher recreational use and higher aesthetic values in Federal forests;
- Better environmental conditions for salmon and other fish, preserving employment in the commercial fisheries sector;
- Higher timber production and profits from non-Federal lands in the Northwest and other regions. [However, increased timber production in other regions may have adverse environmental effects.]

There is no consensus regarding the magnitude of these impacts, nor any official Administration estimates (there have been some agency studies that estimate different impacts). For example, regional job loss estimates range from fewer than 10,000 to more than 100,000 jobs. The wide range of impacts result from different assumptions about employment effects in related industries, the potential for increased harvests and/or restrictions on private

lands, increased recreation spending, retirement and second home development, and other economic adjustments to reduced Federal harvests. Conference participants are likely to cite radically different estimates to support their views.

Some counties are particularly vulnerable to the economic effects of lower Federal timber harvests. The factors that limit the ability of rural areas to adjust to a rapid change in its economic base include:

- High dependence on Federal timber harvest for income and on Federal timber payments to counties;
- High percent of land owned by the Federal government, which can limit economic development alternatives;
- Past losses of timber employment, stagnant workforce skills and sluggish employment growth in other sectors.

Social Impacts

The economic effects of new forest management plans are expected to have significant social effects in timber dependent communities. A substantial part of the job displacement and loss of county revenues will occur in small rural communities that are highly dependent on timber for their economic base. Loss of employment prospects, income loss and cutbacks in public services could cause substantial stress in families in these communities.

In the past, the timber policies of the Federal Government have assured a sustained flow of timber to support their communities, rather than the boom and bust cycle that has been typical of extractive industries. Some people feel that the reduction in the Federal timber harvest needed to protect owl habitat represents a failure by the government to meet its commitment to sustain communities that developed in response to Federal timber policy.

Communities experiencing stressful economic change usually need increased social services such as counseling, job training and relocation, and health care. When these services are not provided, the social costs resulting from the economic stress are generally higher. If the counties' share of Federal timber sale receipts falls with reduced timber harvests, the lower supply of social services will contribute to higher social costs.

III. ECONOMIC POLICY OPTIONS TO MITIGATE IMPACT OF PROTECTION PLANS

Depending on overall economic trends and the final forest management plan, additional jobs in the Northwest forest products industry could be lost in the next few years. The Departments of

Labor, Commerce, Agriculture, Interior, and Housing and Urban Development therefore are analyzing a range of programs in the economic plan currently before Congress to help create jobs and help timber dependent communities. Specifically, the plan contains funds to create several thousand short-term "jobs in the forests" and it contains programs to stimulate rural community and economic development in the long-term. The components in the economic plan are designed to:

- create "jobs in the woods" and rural areas, through reforestation projects, for example;
- promote entrepreneurship through small business/micro-enterprise development;
- stimulate economic diversification for existing businesses;
- strengthen rural communities through community development programs; and
- create opportunities for youth in rural areas.

The stimulus plan and the economic plan will help begin to ease the harsh economic conditions in timber dependent counties as early as this summer. However, depending on the final forest management plan and the level of future timber harvests, additional programs and funding above and beyond the economic plan might be necessary to achieve "no net job loss."

Programs for Workers: Creating "Jobs in the Woods"

In the short term, the stimulus package will create several thousand jobs in rural areas in the Northwest, planting trees and repairing and maintaining roads, campgrounds and parks. The stimulus package includes about \$50 million for Forest Service reforestation projects and repair and maintenance of existing facilities in National Forests in Oregon, Washington and California. This will create approximately 2,500 short-term jobs in Oregon, Washington and northern California. The economic plan also contains \$46 million in funds for Interior Department programs which will create approximately 3,000 temporary jobs in the Northwest. The stimulus package also contains about \$16 million for Community Development Block Grants for rural communities in Oregon and Washington. States in the region will also have the opportunity to compete for Rural Development Administration loans and grants to help fund rural water and waste water treatment programs.

Stimulating Entrepreneurship in Rural Areas

Most job growth in rural areas stems from "micro-enterprises" which employ one person or a handful of people. In some cases, unemployment prompts motivated individuals to start their own businesses. Oregon and Washington have started several revolving loan programs and have supported small business marketing and technical assistance programs. The economic plan contains \$354 million to capitalize community development financial institutions (CDFIs) for both rural and urban areas, and an additional \$150 million in FY 94 for loans to micro-enterprises to be administered through the Rural Development Administration (RDA). A portion of these funds will go to the rural Northwest.

Helping Businesses Diversify

Diversifying into high-value added wood products is another important economic goal. Currently, cutting and exporting one million board feet of timber creates a handful of jobs for one year. However, as many as 20-60 jobs could be created per million board feet per year if that same wood is processed into high-value added wood products such as cabinets, furniture, modular housing and door and window framing. The economic plan also calls for the creation of over 100 manufacturing extension centers, some of which are likely to be located in the Northwest and contribute to an overall business development and diversification strategy. In addition, the proposed permanent investment tax credit for small businesses would help small mills and other wood product operations retool. The plan proposes a 7% investment tax credit in 1993 and 1994, followed by a permanent 5% investment credit. Rural enterprise zones with wage and investment incentives could also help local industries diversify into high-value added wood products. The economic plan also calls for \$2.4 billion in tax breaks over four years to create enterprise zones in rural and urban areas.

Strengthening Rural Communities

The economic plan contains several programs to strengthen rural communities as part of the Rural Development Initiative. The Commerce Department's Economic Development Administration (EDA) could assist impacted rural communities in the Northwest draw up strategic economic development plans. The economic plan also contains \$300 million in FY 94 for Farmers Home Administration loans to communities for rural development projects such as rural health care clinics and fire stations. Lastly, the plan proposes a \$30 million increase for Rural Development Administration (RDA) rural development grants in FY 94, with \$50 million increases in future budgets.

Youth Programs

In many rural areas, unemployed adults have taken jobs that have been traditionally filled by youth. The Department of Labor is seeking \$1 billion for 700,000 summer jobs nationwide, some of which will provide opportunities for young people from rural areas of the Pacific Northwest. In addition, the economic plan includes \$15 million to begin National Service programs this summer. This funding will support 4-10 National Service sites across the country, based on existing service and conservation corps programs. These sites will be geographically distributed throughout the country and could be in both urban and rural settings. The Pacific Northwest has a very robust network of state, local and county service and conservation corps, including the Oregon Youth Conservation Corps, the Washington (state) Conservation Corps, the Washington (state) Service Corps, the Seattle Conservation Corps and the Washington County (Oregon) Service Corps.

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CURRENT EVENTS

Divider Title: _____

Jeffrey L. Rogers
503-823-4047
March 28, 1993

FOREST CONFERENCE
Regional Political Context

GENERALLY: Gratitude that President is fulfilling campaign promise of summit. Impressed with his personal involvement, along with V.P. and Cabinet. A few skeptics wonder why such extensive Administration focus on this controversy but not on other regions and industries suffering even greater job loss and dislocation. General wait and see attitude about Conference itself and subsequent policy. Mixed expectations. Some unrealistic hopes partly because talk of "balanced solution" means very different things to different people.

LABOR: Organized labor feeling included and believing that Administration cares. Much talk of Administration solving "timber supply problem," with many at grass-roots level believing "balance" means compromise settlement in traditional terms: cut enough old-growth to ensure supply and call it solved. Significant risk they will feel led on if final policy doesn't match expectations.

Others more realistic and know that situation has changed and new approaches needed. They know Administration can't turn back clock, but they are scared of future. Logging has been way of life and a matter of identity for generations. But, underneath, all want straight talk from Administration, and pride themselves on being tough, which includes being adaptable if necessary.

ENVIRONMENTALISTS: Wide range of groups and approaches. Small radical fringe groups will never be satisfied, and could try to be disruptive outside conference. However, all other groups, including even strong advocates like Oregon Natural Resources Council, optimistic they finally have supportive Administration and willing to be cooperative and not confrontive. But nagging apprehension that short-term compromise (similar to that proposed in unsuccessful 1989 timber summit) could be result of conference, rather than "principled" long-term protection of ecosystems. This concern increased somewhat by news reports that even Secretary Babbitt saying premise is to get timber flowing again, balanced with "reasonable job" of conserving environmental values.

Scattered concern that pre-conference visit itineraries were planned by BLM and Forest Service, included only low fly-overs not showing vast areas of bare ridges, and did not include enough environmental perspectives. Nonetheless, most are strongly wanting to help Administration succeed in what is recognized to be difficult undertaking of conserving a national resource while minimizing disruption of workers and families.

URBAN: Less visible in controversy, but key Democratic constituency. Many City dwellers place great value on Northwest's "quality of life," including recreation in forests and rivers affected by forest practices. Also, jobs and economy of metropolitan areas include forest products industry and log transporting and shipping. Urban constituents watching quietly, but definitely there, and should not be overlooked.

FOREST PRODUCTS INDUSTRY: Scattered early talk of boycotting Conference, because of suspicion that environmentalists running things. Extensive contacts by Administration in planning have overcome much of cynicism. Pre-conference visits also a big plus, giving early opportunity to showcase some innovative approaches. Nonetheless, some fears that Administration overtures just cover for radical agenda. Facets of industry hard-hit by mill closures in early 1990's and fearful that retooling for smaller logs, and other adjustments, will create new set of problems. Much discussion of what Administration will do about log exports.

TRIBES: Some feeling among tribes that they once again are being largely overlooked. Sovereignty of tribes means that including limited Indian representation in conference and pre-conference visits insufficient to create sense of inclusion among all, which is obviously logistically impossible. Some tribes economically dependent on forests. Many affected by dramatic decrease in salmon secondary, in part, to forest practices, and also by decrease in big game habitat and cultural vegetation in forests, used for both subsistence and ceremonial purposes.

COMMERCIAL AND RECREATIONAL FISHING COMMUNITY: Uncertain whether Conference will consider fish in more than token way. Believe forest practices major component in river health. Point out that salmon and other fish issues already becoming next big natural resource controversy in Northwest, and may be more complex and difficult than forests. Believe any forest solution must also address fish, but not optimistic.

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CABINET TRIPS

Divider Title: _____

**Cabinet Secretaries Northwest Trip Report
Secretary Espy and Secretary Babbitt**

Both trips generated substantial media coverage and local interest.

In virtually every instance, the public was receptive and appreciative of the chance to speak out. At most events, there were no protesters at all. Locals suggest two reasons for this: (1) they are tired of arguing and protesting and (2) they recognize the high stakes and don't want to interfere. At many events, a sense of tired anxiety was clear: people want resolution of this issue. They said they want to be able to plan ahead.

Both Secretaries spent time flying over, and walking through, national forests and BLM lands. They saw old growth, second growth and evidence of different harvest methods. They saw some small scale successes and heard a great deal about the problems. Each hosted meetings with community leaders.

Elected Official Participation:

The elected officials of both parties who participated in the trips were universally supportive of the trips and the conference. They have adopted the "breaking the gridlock" language.

Secretary Babbitt toured with the following:

- Gov. Barbara Roberts
- Rep. Ron Wyden (D-OR)
- Rep. Peter DeFazio (D-OR)
- Rep. Dan Hamburg (D-CA)
- Rep. Wally Herger (R-CA)
- Rep. Bob Smith (R-OR)

Secretary Espy toured with the following:

- Rep. Jolene Unsoeld (D-WA)
- Rep. Norm Dicks (D-WA)
- Gov. Mike Lowry

Trip Highlights, Secretary Babbitt:

Avison Lumber Company
Molalla, OR

A third generation of Avinsons now runs the mill, proving this is more than an economic and environmental issue -- it's a cultural issue. They retooled the mill to use second growth timber, and

have a "finger joint" facility which joins wood together to make better use of short pieces. To those who toured mills a dozen years ago, this looks nothing like the past: it is unimaginably clean -- they waste nothing. Its automation shows that some in the industry are willing to change; it also shows how some people can be "automated" out of a job.

HJ Andrews Experimental Forest
Blue River, OR

This Forest Service facility, begun in 1948, studies forest regeneration. Secretary Babbitt visited a log decomposition site in the midst of an old growth grove. This is long-term research: they don't expect to finish some studies for another century. It underscored how little we know about regenerating the soils in our forests. On the ground, the different nature of these forests became quite clear (particularly compared Secretary Babbitt also remarked on the "prodigious nature of these forests." There is tremendous potential for growth, as long

Douglas County Community Meeting
Ridley, OR

Douglas is the hardest hit county in this crisis. Here, the sense of tired anxiety was most clear. A social service worker talked of the rise in alcoholism and family violence. Workers complained that retraining would not likely mean "family wage jobs."

Applegate Partnership
Ashland, OR

Environmentalists (who look the part) and timber harvesters (who also look the part) have come together here, which was why this was perhaps the most interesting stop on the trip. The group's original goals were the reduction of fire risk near expensive homes and the protection of the town's reservoir from rapid silt build-up due to clear cuts. They now selectively harvest timber in a way that is both environmentally credible and economically sound. Secretary Babbitt watched helicopter crews pull felled timber from the area with little disturbance to surround foliage and the construction of no additional roads.

Trip Highlights, Secretary Espy:

Community Meeting
Aberdeen, WA

Secretary Espy met with loggers, mill owners, community leaders and environmentalists. Here, more than anywhere else, they made it clear they wanted resolution. Many indirectly said the fact of a solution would be more important than the contents of a solution. They expressed real gratitude that someone so high in an

Administration would come to hear them out.

Gifford Pinchot Forest

A visit to an ancient grove had a tremendous impression on Secretary Espy. He reflected on the divine nature of their creation, and how that should be reflected in their use and care. A visit to a blow-down site (where giant trees were felled by strong winds) underscored the divisiveness of the issue: environmentalists said the trees should remain on the ground as nutrients, while loggers were apoplectic that the trees could not be collected and sold.

Breakfast with Fishing Industry Representatives Westport, WA

Where there once were well over 200 charter boats, there are now less than 100. Both the commercial and recreational fishing industries have been hard hit, and the workers at this breakfast stressed the negative economic impact of the rapid timber harvests.

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CAMPAIGN PROMISES

Divider Title: _____

CAMPAIGN RECORD AND STATEMENTS

During the campaign, President Clinton visited the Northwest and spoke to the issues central to the forest controversy. The central theme of his remarks was his pledge to bring people together to discuss the issue and attempt to find a solution or compromise. Following is a summary of what President Clinton said on this issue during the campaign:

- **Develop a policy that has no net loss jobs and "if national policy puts you out of a job, national policy ought to put you back in one, that's my theory."**
(Conversation with Timber Workers - September 14, 1992)
- Convene a Northwest Forest Summit early in his Administration to bring all interested parties together and break the gridlock, if Congress fails to work out a legislative solution before he takes office.
- Sign legislation re-authorizing the federal Endangered Species Act.
- Find a solution based on good forest health and management, biodiversity, preservation of old growth forest, and a real plan for aggressive reforestation and economic diversification.
- Fashion a compromise based on real forest health and science that permits reasonable logging, preserves a significant percentage of the old growth, accelerates replanting and mill modifications and attempts to diversify the economies of the area.
- Develop a uniform, federal position on timber and the handling of timber lands and end the politics of blame.
- Use science as the sole criterion in determining whether a species should be listed as endangered.
- Support changing fee structures in federal parks and natural areas and using the added revenue to support the economic base of the local economies.
- Develop a national policy to place workers displaced by national timber policies.
- To get the timber issue out of the court system.
- Rebuild forests, grant incentives to retool mills.

A complete listing of previous statements by President Clinton on the Forest issue is attached.

REMARKS: GOVERNOR CLINTON ON FOREST ISSUES

THE SEATTLE TIMES - MAY 18, 1992

- *Do you support or oppose the export of raw logs from public forests? From private forests?*

...The fact is excellently demonstrated by the raw-log export issue. We now know that unrestricted exports of raw logs has hurt both our environment and our economy.

The long-term solution to this problem is to improve the competitiveness of our timber-manufacturing industry. This will require greater investment, improved education and technological advances in this industry. The White House should help foster this long-term solution, rather than neglecting the problem as it has over the last 12 years.

- *Would you sign legislation re-authorizing the federal Endangered Species Act in its present form?*

Yes, I would sign legislation re-authorizing the federal Endangered Species Act. I feel that it is our responsibility to preserve a diverse variety of animal and mammal species for future generations.

I believe listing decisions for species under the Endangered Species Act should be based on the biological status of a species. Science should be the sole criterion in determining whether a species should be listed as endangered. However, I support changing fees structures in federal parks and natural areas and then using that money to support the economic base of the local economies adversely affected by such protections.

PRIME TIME/TOWN HALL MEETING - JULY 25, 1992

- *Charlie Janz: ...I lost my logging company because of the Endangered Species Act. I understand that you're not in favor of amending it. ...I want you to tell me tonight what is more important: a spotted owl, or people like me?*

People like you, but I don't think that's the real choice.

...I would attempt to fashion - and I believe this can be done without an amendment to the Endangered Species Act; there is an escape hatch in the act as it's written now - I would attempt to fashion a compromise based on real forest health and science that would permit reasonable logging, preserve a significant percentage of the old growth forest, accelerate replanting, accelerate modification of mills, and try to diversify the economies of the area.

- *Timber Industry Worker:* Would you be willing to sit down and talk with my union to get a better understanding of how this crisis affects us?

Gov. Clinton: Absolutely, I would And I'd be more than happy to sit down and meet with you folks when I come to Oregon, which won't be long.

...If I were president, let me say, I would be personally involved in trying to get all the parties together to try to work out a solution that was based on good forest health and forest management, recent regard for the biodiversity of the area, and the fact that you don't want the entire old growth forest to disappear, and a real plan for aggressive reforestation and economic diversification.

LETTER TO FOREST LABOR LEADERS - August 25, 1992

...under a Clinton Administration the politics of blame will end. I personally want to take a constructive, hands-on role in seeking resolution of the crisis...

...I plan to continue a dialogue with all affected parties, including a visit with a timber family.

...Furthermore, if there is no resolution to this matter during this Congress, early in my administration I will convene a Pacific Northwest Forest Summit to work out a legislative solution. I will work with the Congress and all interested parties to help break the gridlock which has caused so much pain in our Pacific Northwest communities.

CLINTON & CONVERSATION WITH TIMBER WORKERS - SEPTEMBER 14, 1992

Let me just point out what I think the President's role ought to be in all of this. I think...because, the reason I thought we ought to have a summit after the election and come up here and get all the parties to sit down is that I think right now we've got the worst of all worlds.

...The second thing that I have noticed is that this is a President's job. Nobody else can do this job. But there has been widespread disagreement among the federal agencies.

...The national government ought to have a position. They shouldn't be virtually suing one another. Everybody's working in the same government. That's another thing. You're entitled to know that there is a coherent, consistent position from the national government about how these lands are going to be handled.

...I think that our policy ought to be no net loss of jobs.

...If national policy puts you out of a job, national policy ought to put you back in one, that's my theory.

...I guess, what I'm telling you, the reason I called for this summit on the forest issue is that I think we're going to have to decide what the national government position is between all these different bureaucracies. We've got to get the timber that ought to be cut out of court. We've got to get this issue out of court.

...And then we've got to have a no net job loss policy. It's going to say if we lose jobs in the mills, we lose jobs in the woods, we're going to put people back to work either rebuilding the forest or in incentives to retool the mills or adding value to the timber here at home or training them fully and completely to go back to work.

...We ought to take the best scientific data we have for what constitutes overall forest help in the sustainable yield.

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NEWS ARTICLES

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FOREST CONFERENCE
BRIEFING FOR OREGONIAN EDITORIAL BOARD

In preparation for your meeting with The Oregonian's editorial board, a summary of their coverage on the Pacific Northwest forest crisis over the past six months is outlined below. Excepts from key editorials are highlighted in bold.

OVERVIEW

The Oregonian's editorial board has consistently taken the position that the only real solution to Oregon and Washington's environmental and economic problems will come from taking into account the needs of the region's **entire** ecosystem. They tend to avoid becoming embroiled in the details of the "jobs versus owl" debate, arguing more generally that without a comprehensive ecologically balanced plan, the region's economy and environment will be destroyed. In editorial after editorial, board members speak to the necessity of finding a balanced solution that is based on sound management of the region's entire ecosystem.

The editorial board was critical of the Bush Administration's inability to reach consensus among themselves and are optimistic that, at the very least, the Clinton Administration is showing leadership where none previously existed. While they generally commend your efforts to seek a balanced approach to the problem, they warn that your definition of the problem itself may be too narrowly focused.

RECENT EDITORIALS

The Oregonian's most recent editorials urge you to look at "the bigger picture" during the upcoming Forest Conference. Like you, they argue that "jobs versus owls" is a false choice. But they also feel that a truly balanced approach **must** take into account the forests and wildlife on both sides of the Cascades, salmon-inhabited watersheds and the region's entire ecosystem.

"The forest conference needs to move way past the specific controversy over the spotted owl. Just how much protection the bird needed was yesterday's debate. Today's discussion is how to protect the whole forest ecosystem, including a multitude of plant and animal species now considered by scientists to be at risk." March 26, 1993.

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The board praised you for fulfilling your campaign promise to hold a Forest Conference and have noted the magnitude of the task the you have undertaken in doing so. And although they believe you have the advantage of bringing a fresh approach to an old problem, they urge you to **ask the right questions** at the table: what is the future of the forests **east** of the Cascade Range; how can we weave protection of endangered species into a broader forest-management policy; how can we help workers and rural communities deal with timber-related job loss?

The newspaper has been highly complimentary of the team you have organized to address these questions. They praised your nomination of Agriculture Secretary Espy, describing him as a problem-solver able to lead the way rather than hang back as the Bush Administration did. The board seemed particularly impressed with your decision to appoint Bruce Babbitt as Secretary of the Interior and commended him for his "recognition of the merits of ecosystem management". The board stated that, unlike the Bush Administration, Babbitt wants to manage natural resources in such as way as to avoid the need for drastic last-minute responses to save species. They hope that Babbitt will be able to influence the direction the Clinton Administration takes during the Forest Conference.

"... a policy (should) reflect the interdependence of a natural system's many parts and give top priority to maintaining all the processes that keep that system functioning. If you manage to maintain the system's diversity, the various species should take care of themselves and responsible levels of commodity production can be maintained." February 23, 1993.

In a piece entitled "Counting the Owls" (December 29, 1992), Oregonian editors argue against looking too narrowly at the fluctuating numbers of owls as a barometer of how much timber to harvest. Once again, they urge against species-by-species, crisis-by-crisis forest management in favor of a comprehensive plan that takes into account the entire ecosystem. It is speculated that the upcoming Forest Conference may be the venue for this type of broad forest management debate.

The Oregonian reacted similarly to the listing of the marbled murrelet as a threatened species. This listing afforded the editors another opportunity to solidify their argument for a sound management and long-term planning of the region's natural resources. The decline in the murrelet, like the spotted owl, demonstrated the effects of more than a century of poorly regulated logging its demise should trouble both loggers and environmentalists alike.

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"...the challenge is to move from species-by-species management toward managing natural processes, including suitable habitat protection, as a whole." October 5, 1992.

Once again, the board reiterates that the new leaders of the Clinton Administration should work towards a policy that provides a healthy forest ecosystem with a predictable level of timber supply.

FOREST CONFERENCE
REGIONAL MEDIA BRIEFING

You have been under the spotlight of the Washington and Oregon press corps since you proposed a Forest Summit last Fall. The prospect of a resolution on the issue has become a central story in the area -- rounding out years of debate and intense coverage by the regional media. This memo provides an overview of press coverage and excerpts from key stories.

You promised early on in the campaign to take a "hands-on, constructive role" in seeking a solution to the problem of preserving old growth forests and protecting jobs. It was recently reported that your campaign statement to develop a "no-net-job-loss policy" will be a difficult goal to reach under the current economic circumstances. The press will, however, judge the success of the Forest Conference on your ability to fulfill these pledges, bring competing constituencies to the table and set an agenda for the future of the region.

You have generally received high marks in the press for your handling of the forest/jobs crisis. From your initial campaign visit to Washington nearly a year ago to your announcement of the Forest Conference earlier in the month, you have been successful communicating these messages: "jobs vs. owls" is a false choice; lack of leadership at the federal level has created a logjam that has left the region economically crippled; a balanced solution that will protect our old growth forest and protect jobs can be achieved. Editorials have been particularly favorable toward the fulfillment of your promise to hold a Forest Conference and your balanced approach to the problem.

As a result of this success, press and public expectations are high that real progress will be made quickly under your leadership. Case in point -- **the day after** your election, several stories were written about the high hopes the timber industry, environmentalists, labor and political leaders all have that you will be able break the gridlock. ("Both Sides of Forest War Seek Truce from Clinton", Statesman Journal, November 5, 1992). The first question from the local Seattle affiliate during the your last town hall meeting focused on the Conference and the issue dominated earlier town hall meetings from the region.

October polling by the Statesman-Journal found that a significant number of voters would select a candidate based **solely** on their position on the timber issue. Clearly, the regional press' standard for measuring your success as President will rely heavily on your success resolving the forest/jobs crisis.

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The television and print press have both run stories about the extensive paid and free media campaigns waged by the various interest groups leading up to the Conference. Environmental and labor groups held press conferences both in the Pacific Northwest region and in Washington D.C. throughout the week. Print, television and radio ads were also placed by the timber industry and the Ancient Forest Alliance for the purposes of lobbying Conference organizers, attracting the attention of the national press and rounding up supporters in Portland on April 2. Rallies, concerts and demonstrations are planned prior to and during the Conference in what was described by one environmental lobbyist as a massive "get-out-the-vote" campaign.

"The Bigger Picture" ... The Oregonian ran back-to-back editorials over the weekend urging the Clinton Administration to address the needs of the **entire** Pacific Northwest ecological system during the Conference. "Clinton and Gore must be persuaded that merely balancing the needs of the logger and the owl won't solve the problem. It's the interlocked, ecological systems, the species' habitat that needs fixing. If the Administration fails to see this bigger picture, then the struggle over multiple use of our natural resources will continue to divide Northwest citizens and devastate the economy". In the opinion of Oregonian editors, the Administration should include in the debate, forests east of the Cascades, the salmon habitat and outlying areas ultimately affected by logging.

Editorial: Clinton Will Give a Hoot About Owl Dispute. Commends Clinton's plan to hold a summit. Stresses that less talking and more listening is the key to his political success. **Seattle Post-Intelligencer, October 26, 1992.**

Editorial: Gore Should Run Timber Summit. "We trust the Clinton/Gore Administration will have the vision and conviction to compel the quest for answers." **Seattle Post-Intelligencer, October 26, 1992.**

Editorial: Toward a Timber Summit. "The only real hope for a compromise between feuding parties is strong leadership from a new Administration committed to resolving the problems ... all interests needed to produce a forest bill that can pass and be credible." **Oregonian, December 6, 1992.**

Forest Conference Announcement Coverage: National Coverage -- "Clinton to Take on Forest Gridlock" (USA Today) and "Clinton Acts to Break Logjam Over Northwest Timberlands" (LA Times). Local Coverage -- Although there is little chance that an actual policy be the end result of the meeting, the unprecedented nature of a summit of this scale to address a domestic issue demonstrates the Administration's commitment to the region.

RECENT COVERAGE:

Editorial: Forest Conference a Good Beginning. Stresses that while no one should expect the meeting to produce a quick resolution, the President should "set the stage for constructive action." **Tacoma News-Tribune, March 12, 1993.**

~~Editorial:~~ **Timber Summit is a Good First Step.** ~~Whatever~~ his aides call the meeting, the President must quickly come up with reasonable proposals for balancing environmental and logging interests. He promised to do that during the campaign. And he put his political standing with Northwest voters on the line by repeating those promises when he announced the Portland meeting. **The Herald, March 16, 1993.**

Report Assess Ecosystem Protection. The US Forest Service issued a report concluding that logging cutbacks proposed to save the spotted owl don't go far enough to protect fish and other wildlife. Press reports that the study, delivered to Judge Dwyer on March 19, significantly raises the stakes for President Clinton at the Forest Conference. **Oregonian, Seattle Post-Intelligencer, March 20, 1993.**

March 25, 1993

Mr. Robert M. Landauer
Editorial Page Editor
The Oregonian
1320 SW Broadway
Portland, Oregon 97201

Dear Mr. Landauer:

Barring unforeseen overseas developments, President Bill Clinton will visit Portland next week to convene the historic Forest Conference.

The forest products industry nationwide is deeply interested in the outcome of the summit. I am optimistic, primarily because of my extensive knowledge about the president's commitment to balance and fairness.

Attached for your consideration is a proposed op-ed, reflecting on President Clinton's direct involvement in forestry issues in Arkansas and what we should expect from him April 2.

Taking into account the Oregonian's influence, I am offering this piece to no other Oregon newspaper. I ask you to seriously consider publishing my commentary. If you have any questions, please contact me.

Thank you.

Sincerely,

James Bibler
President
Bibler Brothers
Lumber Co., Inc.

A COMMENTARY BY JAMES BIBLER, PRESIDENT OF BIBLER BROTHERS CO.,
INC. OF RUSSELLVILLE, ARKANSAS.

IF OVERSEAS EVENTS DON'T INTERVENE, OREGONIANS WILL HAVE THE
FIRST OPPORTUNITY SINCE TEDDY ROOSEVELT TO WATCH A UNITED STATES
PRESIDENT ENGAGE IN A SUBSTANTIVE DISCUSSION OF FOREST ECOSYSTEM
MANAGEMENT.

AND BILL CLINTON IS UP TO THAT TASK.

I HAVE KNOWN PRESIDENT BILL CLINTON FOR ALMOST 20 YEARS AND
WHEN IT CAME TO DIFFICULT FORESTRY QUESTIONS IN ARKANSAS, HE
DIDN'T JUST STICK HIS FINGER IN THE WIND AND MERELY FOLLOW THE
CROWD.

BILL CLINTON COULD HAVE IGNORED SCIENCE-BASED FOREST
MANAGEMENT AND RESPONDED ONLY TO THE RISING TIDE OF ENVIRONMENTAL
CONSCIOUSNESS IN THIS COUNTRY.

IF HE HAD TURNED HIS BACK TO ECONOMIC CONSIDERATIONS IN HIS
HOME STATE OF ARKANSAS, HE COULD HAVE EASILY AVOIDED SOME OF THE
CRITICISM HE RECEIVED FROM THE ENVIRONMENTAL COMMUNITY DURING THE
PRESIDENTIAL PRIMARY SEASON LAST YEAR.

BUT BILL CLINTON FOSTERED A BALANCED FORESTRY POLICY IN
ARKANSAS THAT RECOGNIZED THE IMPORTANCE OF THE OUACHITA AND OZARK
NATIONAL FORESTS AND THE INDUSTRY ITSELF TO THE ECONOMIC WELL
BEING OF OUR STATE.

AS A THIRD-GENERATION LUMBERMAN, WHOSE FAMILY HAS MADE SOUND
FORESTRY A WAY OF LIFE FOR ALMOST 90 YEARS, AND AS CLINTON'S
APPOINTED CHAIRMAN OF THE ARKANSAS FORESTRY COMMISSION, I AM
GRATIFIED BY HIS BALANCED APPROACH TO THIS SOMETIMES CONTENTIOUS

ISSUE.

CAN RESIDENTS OF THE PACIFIC NORTHWEST DRAW ANY CONCLUSIONS FROM BILL CLINTON'S RECORD ON FORESTRY AS GOVERNOR OF ARKANSAS?

AND DOES HIS PAST PROVIDE A ROAD MAP AS TO HOW HE WILL VIEW THE UPCOMING FOREST CONFERENCE IN PORTLAND, APRIL 27

AND FINALLY WILL THE OUTCOME OF THIS HISTORIC MEETING REFLECT THE PRESIDENT'S JOINT CONCERN FOR THE FOREST ENVIRONMENT AND THE OVERALL ECONOMY OF THE REGION?

I BELIEVE THE ANSWER TO ALL OF THESE QUESTIONS IS AFFIRMATIVE.

BY NO MEANS WAS THE FOREST PRODUCTS INDUSTRY TOTALLY ENAMORED WITH EVERY DECISION THAT BILL CLINTON MADE AS GOVERNOR OF ARKANSAS. I AM CERTAIN THIS SAME INDUSTRY NATIONWIDE WILL NOT BE CHEERING EVERY POLICY PROMULGATED BY HIS ADMINISTRATION.

BUT AT THE SAME TIME, THE FOREST PRODUCTS INDUSTRY REMAINS AN INTEGRAL PART OF THE OVERALL ECONOMY OF THE STATE OF ARKANSAS, AS IT IS A VITAL INDUSTRY NATIONWIDE. BILL CLINTON COULD HAVE TOTALLY EMBRACED THE AGENDA OF ARKANSAS ENVIRONMENTAL GROUPS TO THE DETRIMENT OF OUR INDUSTRY AND MY FAMILY. HE CHOSE BALANCE AND SENSITIVITY TO BOTH ENVIRONMENTAL AND ECONOMIC CONCERNS INSTEAD.

I AM CONVINCED THAT BILL CLINTON'S APPRECIATION OF THE IMPORTANCE OF FORESTRY AND HIS RESPECT FOR THE THOUSANDS OF AMERICAN WORKERS WHO PROVIDE THE LUMBER, PACKAGING AND PAPER WE USE EVERY DAY WILL BE PART OF HIS DECISION MAKING PROCESS ON THE FUTURE OF PACIFIC NORTHWEST FORESTS.

LET US NOT FORGET THAT IT WAS THE ECONOMY AND THE LINGERING QUESTIONS ABOUT THE NATION'S BASIC FISCAL HEALTH THAT PROPELLED

BILL CLINTON FROM THE STATE HOUSE IN LITTLE ROCK TO THE WHITE HOUSE IN WASHINGTON, D.C.

THAT FACT IS NOT LOST ON THE PRESIDENT AND IT IS CERTAIN THAT HE WILL CAREFULLY BALANCE PEOPLE CONCERNS WITH THE NEED TO PROTECT THREATENED AND ENDANGERED WILDLIFE.

MY PREDICTION IS BASED ON THE FACT THAT BILL CLINTON AS GOVERNOR ATTENDED SEVERAL OUACHITA TIMBER PURCHASERS GROUP MEETINGS, WHERE HE EXHIBITED A GENUINE CONCERN FOR THE PERSONAL FUTURES OF EVERY MEMBER AND THE HUNDREDS OF WORKERS EMPLOYED BY ARKANSAS FOREST PRODUCTS COMPANIES.

LAST FALL, BILL CLINTON VISITED A GROUP OF DISPLACED TIMBER WORKERS IN EUGENE, OREGON AND EXPRESSED SIMILAR EMPATHY FOR THE STRUGGLE AS THEY TRIED TO FIND A WAY TO JUST MAKE ENDS MEET.

THAT MEETING AND THE VISITS TO OUR FAMILY BUSINESS IN RUSSELLVILLE AND OTHERS THROUGHOUT ARKANSAS WILL BE IN THE BACK OF BILL CLINTON'S MIND WHEN HE CONVENES THE FOREST CONFERENCE IN PORTLAND NEXT MONTH.

THE PACIFIC NORTHWEST FOREST PRODUCTS INDUSTRY, ORGANIZED LABOR AND COMMUNITY LEADERS SHOULD CLEARLY UNDERSTAND THAT BILL CLINTON HAS A SINCERE INTEREST IN THE FLIGHT OF OLD-GROWTH FORESTS, THREATENED SPECIES, AND ECOSYSTEMS.

CONSIDERATION FOR THESE VALUES WILL NATURALLY BE PART OF THE OVERALL CONGRESSIONAL PACKAGE THAT EMERGES FROM THIS LANDMARK CONFERENCE.

THE ENVIRONMENTAL COMMUNITY LIKewise WOULD BE WELL ADVISED TO EXPECT THAT BILL CLINTON WILL INSIST ON EQUAL CONSIDERATION OF THE VITAL IMPORTANCE OF THE FOREST INDUSTRY TO THE REGION, THE

NEED TO PROTECT JOBS AND PUT PEOPLE BACK TO WORK, AND THE SAFEGUARDING OF RURAL COMMUNITIES.

WHEN BILL CLINTON SAID HE WANTED TO GET THIS ISSUE OUT OF THE COURTS AND PUT IT BACK BEFORE CONGRESS AND THE APPROPRIATE ADMINISTRATION AGENCIES, HE SHOULD BE TAKEN AT HIS WORD.

IF THE INTEREST GROUPS ON EITHER SIDE ULTIMATELY ARE NOT HAPPY WITH THIS PACKAGE BECAUSE IT DOES NOT MIRROR THEIR POLITICAL WISH LIST, I SINCERELY DOUBT THAT BILL CLINTON WOULD BE MOVED BY THEIR WHINING.

BUT IF THE FOREST CONFERENCE PRODUCES A BALANCED AND EQUITABLE CONGRESSIONAL PACKAGE THAT PROTECTS THE NORTHERN SPOTTED OWL, OLD GROWTH FORESTS AS WELL AS SAFEGUARDING JOBS AND COMMUNITIES, BILL CLINTON WILL BE PLEASED, REGARDLESS OF THE SPECIAL INTEREST CARPING. MOREOVER, HE WILL HAVE MY SUPPORT.

THE BOTTOM LINE IS THAT BILL CLINTON IS A LEADER, WHO IS NOT AFRAID OF CONTROVERSY AND CRITICISM. HE IS MORE THAN WILLING TO CAST THE EXTREMISTS ON EITHER SIDE OF A DEBATE TO THE SIDELINES AS HE WORKS IN GOOD FAITH WITH THOSE WHO WANT TO SOLVE A DIFFICULT PROBLEM.

THE BILL CLINTON I KNOW REFUSES TO TAKE THE EASY WAY OUT. HE WILL NOT MERELY FOLLOW THE POLITICAL TIDES. INSTEAD, THE PRESIDENT WILL USE THE WEIGHT OF HIS OFFICE TO ENSURE THAT ALL ARE PROTECTED AND NONE ARE LEFT BEHIND.

THAT'S WHY HE WAS ELECTED PRESIDENT OF THE UNITED STATES.

AND THAT'S WHY I EXPECT NOTHING LESS, APRIL 2.

P-I 8-28-92 Editorials

Forest summit a good proposal

Presidential candidate Bill Clinton has promised, if elected, to convene a Pacific Northwest forest summit early in his administration to resolve the crisis in the Northwest woods.

If there is anything of substance to this promise — a big if — it will be more applauded in these parts than President Bush's promise to come to this state and bad-mouth environmental extremists who, in his view, want to save an owl, but don't give a hoot about people.

This complex matter demands scientifically sound solutions, not more name-calling. When it comes to name-calling over owls and trees, we in the Pacific Northwest have heard it all, and most of us have had a bellyful of it. It has not escaped notice that all this emotionally satisfying venting has not advanced by even so much as an inch any solution to this mess.

Clinton, at least, rightly has

maintained that the "owl vs. people" debate is a false one. If the parties to the dispute insist on remaining trapped in this false conflict and refuse to address the real one — how to preserve healthy forests and protect water supplies, fish and wildlife while assuring a reasonable, predictable timber supply and a stable work force in perpetuity — there will be no solution.

The imagery of this false dilemma persists because politicians find it useful and because timber companies have been all too eager to use their laid-off workers to fight their battle for them on a ground different from where it should be fought: an examination of the harvesting regimes that brought us to this pass.

It looks better, after all, to frame the argument by posing a jobless logger against an owl than by posing an owl against the board of directors of a timber company.

Owls and jobs: Not that simple

Seattle P.F. 9-16-92

The campaign visit by President George Bush to Colville Monday offered overly simplistic solutions to a complex timber supply problem in the Northwest woods.

Bush tried to cast the issue as one of "jobs vs. owls." But this portrayal ignores what really has been happening to jobs and trees.

The facts are that too many trees — and thus too many jobs — have been exported, bypassing local mills. The facts are that too many mills were unable to adapt to modern demands and thus they closed. The facts are that many mills successfully modernized — employing new automated equipment — which meant they employed fewer workers.

The facts are that when the Endangered Species Act finally — and properly — was invoked to end overcutting, there were too many mills caught by surprise, forced to compete for too few logs.

The facts are that for too long, too many trees were cut too fast and with too careless a disregard of the effect on streambeds, water, fish and wildlife. That is what threw the forests — and the economy — out of the healthy "balance" that Bush now says he wants to restore.

The facts are that the reason loggers are not in federal woods cutting what trees might yet be harvestable is that the Forest

Service has yet to comply with a court order to devise a harvest regime that follows the law.

None of this is to suggest that enforcement of the Endangered Species Act will not cause fewer trees to be harvested and fewer jobs in mill towns. And none of it is to suggest that presidential candidates should not bestir themselves to address the painful concerns of people who are out of work. Too little has been done to respond to the needs of the timber towns affected by this controversy.

But we submit that there will be no resolution of the timber crisis in the Pacific Northwest unless everyone involved is willing to accept the economic and ecological facts of the situation as they are and to make a good faith effort to negotiate a solution based on a rational comprehension of these facts.

The people of the Northwest do not want their economic misery used against them as a "wedge issue" to divide them for political purposes. They do want an ecologically sound solution, forest stewardship based on science, not demagoguery.

Certainly, the people of the Pacific Northwest want timber jobs. But they want these jobs — like the trees they depend on — to last forever, not to be here today and gone tomorrow.

9-16-92

Oregonian

Viewing the forests

Bush and Clinton offer different approaches to the Northwest timber issue, but ignore ultimate question

The two views Oregonians got Monday of presidential candidates' wrestling with the federal forest controversy lost focus before either President Bush or Arkansas Gov. Bill Clinton got to the clincher: just how much logging and how much owl protection they would accept.

Even so, clear differences emerged in their approaches.

Bush's attack on the Endangered Species Act and call to "make people more important than owls" will appeal to those who see the issue in simple terms of jobs vs. owls. But even they might usefully wonder where the president has been for 3½ years.

Leadership by veto threat seven weeks before the election is a weak substitute for the high-level coordination that has been lacking as various federal agencies have attempted to address problems raised by the spotted owl's listing as a threatened species. As House Speaker Tom Foley noted, the White House has turned aside bipartisan requests by the Northwest congressional delegation for a single administration point-person on the forest issue.

Clinton, meanwhile, nodded to the issue's complexity and repeated his pledge to call a summit of interests to force a compromise. That idea appeals to labor and even had been mentioned within the ranks of industry lobbyists. But it, too, leaves hanging just where the line would be drawn between timber sales and forest preservation.

Between the two approaches, Clin-

ton's is the more embracing even if presidential campaigns are unrealistic places to look for ultimate answers. He recognized the need to get the issue out of court, and he drew a sharp distinction between his support for retraining displaced timber workers and the president's long opposition to any such special attention to them.

Moreover, the Endangered Species Act, which Clinton supports as it stands, is more of a symptom of the federal forest problem in the Northwest than the single cause. The spotted owl's status reflects broader ecological concerns — the fragmentation of forest ecosystems, for instance — and is only one of many arguments for reducing timber harvests from their historic levels.

Indeed, even as Bush rides against this law, the U.S. Forest Service and Bureau of Land Management are heading toward management policies and harvest reductions that address those problems.

Weakening the Endangered Species Act well might lose its luster in the Northwest when attention shifts from owls to much more popular salmon, which also fall under the act's protective umbrella. The act may be the tool that gives protecting salmon added clout in relation to economic activity that has contributed to the jeopardy of various runs. Economic concerns, after all, are the main factor that puts species — whether birds or fish — at risk.

And they're why achieving a proper balance requires high-level attention.

Bush and Clinton Among the Owls

George Bush and Bill Clinton went toe to toe this week in the Northwest woods over something real — loggers' jobs and spotted owls. We're happy to go into the woods to find out how these two men actually think about a flesh-and-blood issue. What we take away from this encounter is that President Bush's instincts, fitfully, are with the market, and Bill Clinton's strongest instincts run toward a paternalistic government.

The Northwest, of course, is the site of the great battle between loggers' jobs and the effort to protect the spotted owl under the authority of the Endangered Species Act. Judges, environmental groups and various parts of the federal wilderness bureaucracy have decided that the future, and the woods, belong to the owls. It may well be that economics will make the work in the woods disappear someday, but the idea here is that the loggers and their families should depart the animals' "habitat." Call it eco-cleansing.

President Bush said some sensible things about weighing costs and benefits in deciding on species protection. "The balance has simply been lost," he said, and it has. This sounds sensible unless biology is not merely your work but your religion and you regard the premature death of any sub-human life as a moral offense. (Sometimes that isn't even good biology.)

The environmental zealots who subscribe to that religion were quick to respond to the President's idea, saying it would gut the species act and is unthinkable. In most areas of public discussion, this kind of absolutism would be regarded as fringe rhetoric and relegated to the obligatory one paragraph in a news story. But when it comes to The Environment, fundamentalism is now part of the media and political culture.

That is why there has been no reform of the species act, even as federal judges have written biological theory into dictum and cost thousands of people their jobs and many more an opportunity to buy or use property. Mr. Bush used the opportunity of a visit to the economically damaged Northwest to make that point.

Bill Clinton, in the same neck of the woods, wasn't there to talk about species absolutism. Instead Mr. Clinton replayed what has become a core theme of his candidacy, no matter if

the subject is manufacturing, free trade or the environment. What we need, he said, are retraining programs (that somebody is going to have to pay for), and a "summit" of government officials, labor representatives and business to forge a solution to the problems of the Northwest.

We realize there are still people, often found in the business community, who still think these government-business partnerships can solve various problems — from education to health care to logging in the Northwest. Our strong sense, though, is that the number of believers has dwindled the past 25 years as more managers discovered that the turnaround time on decisions by government is just too long. By the time the "summit" acts, the problem has changed. Or the summit's recommendations are so hedged that no real progress is possible.

But Bill Clinton still believes in this stuff. He brings it up constantly. He talks on and on about what "we" are going to do, meaning "we" in government and "you" outside government. Our reading of the current political mood, across a wide spectrum, is that most people don't want a lot of input from "we" in government. They mainly want an economy that creates jobs, just like the economy they had seven or eight years ago.

That said, we'll concede that the Bush administration's record on resource regulation has been something of a puzzle. The President tolerates an EPA administrator who seems to operate contrary to the general bent of policy, even though that appointee's equivocations have appeased virtually no one among his fellow enviros. In that community, about the only vote William Reilly has saved for George Bush is William Reilly's, and we wonder about that. Problems such as the loggers' jobs or nonsensical wetlands enforcement had to boil over before the White House acted.

At least the cost-benefit concept got an airing from the chief executive. It would be reassuring to hear the words "balancing costs and benefits" emerge from Governor Clinton's verbiage, but we're not reassured. The private-sector bent of the Democratic Leadership Council was an early, hopeful sign, but as the campaign wears on, what seems to be emerging is a Democratic candidate whose real love is "we" the government.

Clinton will give a howl about owl conservation

Seattle Post-Int. 10-26-92

Mindy Cameron
Times editorial page editor

ON the same day that Bill Clinton visited Seattle, the U.S. Forest Service announced it was about to release its latest attempt at a spotted owl recovery plan. Maybe this one will pass muster with a persnickety federal judge.



So far the Forest Service has failed to persuade District Court Judge William Dwyer that the government has met the requirements of the Endangered Species Act. The act calls for a science-based plan to aid the recovery of a species threatened with extinction. The spotted owl was determined to be such a species more than two years ago.

The announcement, coming just two weeks before the presidential election, was an odd reminder that government keeps churning, even as political rhetoric swirls around the very activities in which the bureaucracy is engaged.

That obscure notice raises a far more interesting question than "will this plan finally get the job done?" Now that it seems increasingly likely Bill Clinton will be elected president, the more intriguing question is how would a President Clinton change course on the spotted owl vs. timber jobs issue and would it work?

Clinton said on an earlier visit to the Northwest one of the first things he would do as president would be to convene a regional timber summit.

Big deal, say the skeptics. It's just another meeting, not a solution.

Bruce Babbitt is not a skeptic. It can work, he said. The Northwest timber dispute "is made for Bill Clinton."

Bruce Babbitt was elected governor of Arizona the same year Clinton became governor of Arkansas. He remembers being impressed by the charisma of Clinton even back in 1978, when he was the youngest governor in the country.

Babbitt is the flip side of charisma. Four

years ago, he entered the Democratic presidential primary. He was the Paul Tsongas of 1988, long on wit and common sense, but short on that intangible personal quality called charisma. Today he is an environmental lawyer in Phoenix and president of the League of Conservation Voters.

It was the latter job that brought him to Seattle on behalf of Congressional candidates backed by the League.

The League of Conservation Voters describes itself as the nonpartisan arm of the environmental movement. It is best known for its scorecard of legislators' votes on environmental issues.

At first the League had no intention of getting involved in the presidential campaign. That changed this spring when "Bush marched away from the environment and Clinton moved toward it," Babbitt said.

Although no one, including Clinton, touts his environmental record in Arkansas (he emphasized job creation over environmental protection), Babbitt believes Clinton's commitment to national environmental issues is genuine and realistic.

That commitment, coupled with what Babbitt called Clinton's "endless appetite for resolving disputes through negotiation," makes the controversy over Northwest forests an ideal challenge for a Clinton administration.

"It's a negotiator's paradise," said Babbitt.

And, he added, Clinton ought to waste no time getting started. "A new president has one year to do things that really matter," he said.

Babbitt's list of "things that really matter" includes a North American Free Trade Agreement that addresses environmental concerns, U.S. leadership in global environmental issues, including signing the biodiversity treaty, energy goals that reduce carbon dioxide emissions

Add the Northwest timber summit to that list.

Here's Babbitt's formula for success. Bring together the new secretaries of Interior and Agriculture, which oversees the Forest Service, and the head of the Environmental Protection Agency. Let all voices be heard in a wide-open process. Stop using science as a sword. Instead embark on a search for scientific consensus. The new president should maintain a visible leadership role in the process. Set a deadline and commit to reaching a conclusion.

It's not power politics as usual. It might even

require members of Northwest Congressional delegation to follow the inelegant advice President Bush gave to another noisy, disruptive chorus: Sit down and shut up.

But it just might work. Clinton's promise of change demands that it work. A Northwest timber summit ought to serve as an example of how to govern in the '90s: less talking and more listening, greater attention to solving problems, less to shoring up political

A Northwest timber summit
ought to serve
as an example of how
to govern in the '90s:
less talking and more listening,
greater attention to solving
problems, less to shoring up
political power bases.

power bases.

It's radical stuff for politicians accustomed to the huffing and puffing of political games and bureaucrats accustomed to the endless churning and shuffling that is the work of government. It's also unsettling to the clever special-interest groups well-practiced in public relations strategies and intricate legal tactics.

The great lesson of this campaign season is that citizens are fed up with all of that. If Clinton means what he says about giving government back to the people he could start right here in the Northwest by letting us talk about our forests while he listens.

■ Mindy Cameron's column appears Sunday on editorial pages of The Times.

Gore should run timber summit

Among the myriad promises Bill Clinton scattered along the campaign trail was the promise to conduct a "forest summit" on the wood-products and environmental issues in the Pacific Northwest. The new president can confirm his commitment to resolving those issues by sending the best person to lead the summit: Vice President-elect Al Gore.

Gore's high position in the new administration and his outspoken record on the environment make him uniquely qualified to be the administration's point man on the summit — if the administration is really interested in resolving the conflicts here.

Loggers, timber companies, environmentalists, fisheries, exporters, mills — we all face an uncertain future for the forests that have so long sustained the region. Change — broad and deep — is inevitable. The past two Republican administrations have responded by trying to delay the inevitable. One would hope that the new administration will display not only concern for the environment and the economy but compassion for displaced workers, their families and the communities in which they have long formed the bedrock.

The problems besieging the timber and forest-products industries are complicated and, in turn, have bred divisions that are wide and

passionate. Little if any progress toward resolution has been made. But missing has been strong leadership from the nation's president, not to mention the vision to see the long-term issues and the determination to search for innovative solutions. The prospects for that leadership and vision emerging from the Clinton White House are excellent, especially under the personal imprimatur of Al Gore.

Democratic Rep. Norm Dicks cut to the heart of the matter. "The most important thing," he said, "is to structure this so it's not just a lot of rhetoric. It's got to be set up so something actually gets done."

One thing that must get done is a clear-cut plan for a federal program to support, retrain and re-employ timber workers displaced because of timber policy decisions arrived at through the summit process.

Key to that will be the sincere willingness to cooperate and compromise by all parties involved. That may perhaps be the most difficult for the environmental community, often of late rent by ideological fissures.

Stalemate and stonewalling are not — and never were — the answer to the region's timber issues. We trust the incoming Clinton-Gore administration will have the vision and conviction to compel the quest for other answers.

Oregonian 12-8-92 Toward a timber summit

*All interests needed to produce a forest bill
that can pass and be credible*

One of the items on President-elect Clinton's agenda is his promise of a Northwest timber summit to break the gridlock on how the federal forests in Oregon and Washington ought to be managed.

Some interested parties have even suggested he should hold it before his inauguration. That's not only improbable, it's silly. Unraveling years of controversy over old-growth timber and spotted-owl protection, timber-sale levels and forest-health problems will take considerable preparation on the part of the new administration. And a summit needs the officials charged with making any identified approach work: the secretaries of the interior and agriculture and their subordinates, who haven't even been named yet.

But choosing to wait until he and his administration are in office is Clinton's easiest decision on the summit. The real controversy will begin with issues such as how to structure it and whom to invite.

One notion is to limit participation to the folks responsible for securing legislation that would flow from a successful summit — elected officials. Get them in a room, perhaps after hearing the varying views of interest groups, and force them to hammer out a compromise bill.

Washington Gov.-elect Mike Lowry, a former congressman, had a succinct response to that idea when he met with The Oregonian's editorial board the other day: It won't work. If it were that easy to resolve the manifest issues, he said, Congress already would have done it.

Lowry believes the summit could work if Clinton invites participation by all the constituencies of the federal forests. He didn't list them, but they obviously include the timber

industry and labor, environmental groups, recreation interests, local governments and, of course, state officials. And the summit needs informed and accurate scientific input to assure that it's dealing with facts, not impressions.

That's a less tidy approach than locking legislators in a room, but a forced bill in which none of the interests feels invested may be doomed at the outset. And even if it passed, it likely would continue to be a lightning rod for controversy.

Could all these interest groups even reach some agreement among themselves? Certainly not all of them and probably not many of them on every issue. But perhaps enough people could agree on enough points to set the direction for a policy that could gain the sufficient support to be enacted and implemented.

High administration interest in forging a compromise will help. So, too, will the recognition by participants that this process can actually achieve something. Careful preparation would mean a lot in diplomacy; the most useful summits are those where the biggest sticking points have been worked out in advance.

Also boosting a summit's prospects is that a lot of the groundwork has been done by the professionals in the U.S. Forest Service and the Bureau of Land Management in preparing recent management plans and plan amendments. Really, when all the posturing is done, boundaries of credible forest policy are pretty apparent.

It will be a while before Clinton gets to this regional issue, important as it is. It will be worth waiting a while longer if the new administration invests the time and thought necessary to make the summit pay off. But not too long, either.

In addition to the publisher, editor and editorial page editor, members of The Oregonian Editorial Board are Associate Editors Larry Hilderbrand, Wayne Thompson, Phil Cogswell, David Sarasohn, David Reinhard, Lora Cuykendall, Dick Thomas and Nanine Alexander. The editorial cartoonist is Jack Ohman.

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FRIDAY, MARCH 26, 1993

The best forest question

For Clinton's conference, it's not between logging and the owl, but how to have healthy forest ecosystems

The prime question of President Clinton's Northwest forest conference should be how to protect and improve the long-term health of the federal forests in Oregon and Washington.

Out of that protection should come some stable level of timber sales that won't unbalance the forest ecosystems. But the president and his subordinates need to avoid forcing a seeming balance between commodities and preservation that actually tilts against healthy forests.

In that regard, it is regrettable that the April 2 conference in Portland isn't going to take a look at the forest-health problems of Eastern Oregon and Washington. True, they are not where the northern spotted owl and related lawsuits have blocked federal timber sales. But they offer sad evidence how misguided management can do great, perhaps irreversible harm to forest ecosystems.

West of the Cascades, the spotted owl has been the main cause of forest-policy gridlock. The bird has been listed as a threatened species. Various federal judges have held that responsible federal agencies responded inadequately in ensuring its long-term protection.

But the forest conference needs to move way past the specific controversy over the spotted owl. Just how much protection the bird needed was yesterday's debate. Today's discussion is how to protect the whole forest ecosystem, including a multitude of plant and animal species now considered by scientists to be at risk.

Even as the forest debate has proceeded, the U.S. Forest Service and Bureau of Land Management have been moving in the direction of eco-

system protection. In visits to the Northwest this weekend, Interior Secretary Bruce Babbitt and Agriculture Secretary Mike Espy can spend their time productively exploring what that sound concept means in practice.

The secretaries also will be hearing about the human dimension — how the forest-policy gridlock has affected communities and people who live there. Helping those communities deserves a high level of federal attention — either through a resumption of timber sales where sound management allows, or through other forms of assistance where it doesn't.

But the secretaries need to recognize at the outset that scientific research has not been favorable to the notion that historic levels of federal timber sales can be maintained without serious consequences to other forest values. The longer necessary adjustments are put off, the worse they will be.

Clinton, in his recent press conference, said one of his goals will be to establish a common government position on forest issues for all federal agencies to follow. That's a sensible objective as long as the position reflects credible scientific work and isn't imposed for political reasons. This is not the time to stifle dissenting voices on either side.

Clinton also predicts the ultimate federal forest policy will be unpopular with both sides. That's very likely true. But the defensibility of that policy won't be whether it's universally popular. Rather, whether it's based on the best understanding of natural processes available.

We aren't, in Solomonesque terms, trying to decide how to divide a baby. We're trying to keep the baby alive.

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THE FOREST CONFERENCE

Participants

ROUNDTABLE 1: WHO IS AFFECTED AND HOW

Presenters:

- o **MIKE DRAPER**, Executive Secretary, United Brotherhood of Carpenters, Western Council of Industrial Workers, Portland, OR, represents 30,000 members across ten western states. His members work as loggers, in sawmills, and in plywood and particle board manufacturing and re-manufacturing plants..
- o **DIANA WALES**, is a partner in a small law firm in Roseburg, OR with a practice limited to family law. She is also a co-chair of the Umpqua Valley Audubon Society Conservation Committee as well as other environmental, professional, and civil organizations.
- o **BOB SPENCE**, President, Pacific Lumber Sales Company, Seattle, WA. Mr. Spence and his family operate this privately-held company which owns three sawmills and exports both logs and finished wood products.
- o **PATRICIA LEE**, , Charter member Oregon Trout, Streamside Inn, Idleyld, OR, runs an inn and is in the process of creating an environmental education center for the children of Douglas County.
- o **ARCHBISHOP THOMAS MURPHY**, Catholic Archdiocese of Seattle; Archbishop Murphy has led the Roman Catholic Church in western Washington since 1991. He has helped organize relief and social service efforts for timber-dependent communities..

Panelists:

- o **BILL ARTHUR**, is Director of the Sierra Club's Northwest Office in Seattle. He grew up in Montana where his father was a small independent timber operator. He is an economist by training and has been involved with the Sierra Club and forestry issues for the past ten years.
- o **NADINE BAILEY**, of Hayfork, CA, is the wife of a logger and a dedicated spokeswoman for loggers whose livelihoods depend on timber harvesting. Nadine's daughter, Elizabeth, participated with the President in the ABC TV Town Meeting for children.
- o **NAT BINGHAM**, is a commercial fisherman who owns and operates a fishing vessel and fishes for salmon, crab, and albacore. He served as President of the Pacific Coast Federation of Fishermen's Association and currently serves as their field coordinator for their fisheries habitat program.
- o **BUZZ EADES**, Eades Forest Resources, is a graduate forester and a sixth generation logger.
- o **JOHN HAMPTON**, Chief Executive Officer, Willamina Lumber Co., Portland, OR, founded Hampton Lumber in 1950 and became CEO of Willamina in 1970. He currently serves as Chairman of the Northwest Forest Resources Council.

o **JACKIE LANG**, is State Coordinator of the Oregon Lands Coalition, where she has worked since 1989. She lives in Salem, OR, grew up on a small family farm in north central Montana and has spent her whole life in and writing about rural communities.

o **KEN MARSON**, Marson & Marson Lumber, runs a retail lumber yard, Ace Hardware Center and Truss Manufacturing Plant. He also is active in the National Lumber Dealers and Building Material Dealers Association.

o **LARRY MASON**, Western Commercial Forest Action Committee, is from Forks, WA, and owned a mill that had to close. He now heads a group of 500 individuals who represent a broad section of timber dependent communities.

o **MARGARET POWELL**, Member, Hoopa Tribe, Hoopa, CA, is the owner of a small mill located on the Hoopa Valley Indian Reservation. She also has served on the Hoopa Tribal Council for 14 years and is active in other tribal affairs.

o **VIC SHER**, is the Managing Attorney for the Sierra Club Legal Defense Fund in Seattle, WA. His practice is devoted entirely to representing citizens in litigation and administrative action related to environmental protection. He has been counsel to the environmental plaintiffs in a series of cases relating to the forest and wildlife management issues in the region.

o **PHYLLIS STRAUGER**, Mayor, Hoquiam, WA, has served on the Hoquiam City Council from 1969 to 1988. She has served as Mayor since 1988. She has been active in state service and in the National League of Cities.

o **FRANK TALLERICO**, Superintendent of Schools, Siskiyou County, Yreka, CA, has served as Superintendent for the past eight years. Prior to that, he served in other capacities in the Superintendent's office and taught fifth through 12th grade classes.

o **MECA WAWONA**, is the founder of New Growth Forestry in Ukiah, CA. She and her husband run a small business cooperative that specializes in forest and salmon habitat restoration.

ROUNDTABLE 2: ECOLOGICAL AND ECONOMIC ASSESSMENTS

Forest Management Issues

Presenters:

o **JOHN GORDON**, Dean, Yale University School of Forestry. Dr. Gordon is a forest ecologist who spent the majority of his career at Oregon State University. He has written extensively on forest policy issues and was one of the "Gang of Four," the team of four government and university scientists who produced a 1991 study on the health of the forests and different management alternatives at the request of the House Agriculture and Merchant Marine Committees.

o **LORIN HICKS**, Plum Creek Timber Co., Seattle, WA. Dr. Hicks is a wildlife biologist who has conducted research on spotted owls on private and public lands. He was a contributing author of the Spotted Owl Recovery Plan, the Bush Administration's Department of Interior plan for protecting the owl.

o **CHARLES MESLOW**, Director, U.S. Department of Interior Fish and Wildlife Service, Cooperative Research Unit, Corvallis, OR. Dr. Meslow is a research biologist and professor of wildlife ecology at Oregon State University. He is known for his research on northern spotted owls and was a member of the Scientific Analysis Team that released its report to the court on March 19, 1993.

Panelists:

o **RICK BROWN**, National Wildlife Federation, Portland, OR. Brown is a wildlife and forest ecologist who previously worked for the Forest Service. He has actively promoted 'ecosystem' approaches to forest management.

o **JERRY FRANKLIN**, University of Washington, Seattle, WA. Dr. Franklin is a leading forest ecologist whose research focuses on old growth forests. He was one of the "Gang of Four" and has been called the "Father of New Forestry."

o **CHAD OLIVER**, University of Washington, Seattle, WA. Dr. Oliver is a silviculture and forest policy professor at the University of Washington, School of Forest Resources.

o **JIM SEDELL**, U.S. Department of Agriculture Forest Service, Corvallis, OR. Dr. Sedell is a fishery biologist who is a leading researcher into how forest land use affects fish habitat. He was the principal fishery biologist on the Scientific Analysis Team. He is a native Oregonian and local fisherman.

o **DAN TOMASCHESKI**, Vice President, Sierra Pacific Industries, Redding, CA. Tomascheski's company owns 1.1 million acres of commercial forest land in California. It is also the largest California purchaser of timber on federal lands. Almost one-third of the timber for the Sierra Pacific's nine sawmills comes from federal lands. Tomascheski was active in efforts to reach consensus with environmentalists on private forest lands in California.

Economic Issues

Presenters:

o **BRIAN GREBER**, Professor, Oregon State University, Corvallis, OR. Dr. Greber's research addresses forest product markets and regional economics. He has been an advisor to several federal task forces, including the "Gang of Four," and the Endangered Species Committee.

o **LOUISE FORTMANN**, University of California, Berkeley, CA. Dr. Fortmann is a rural sociologist who has focused on environmental protest and community well-being. She has conducted major ethnographic and statistical analyses in the region.

Panelists:

o **ANN HANUS**, Assistant State Forester, Oregon Department of Forestry, Salem, OR. Ms. Hanus is a professional forester and economist who has been involved with this issue since 1985. She served as staff to Tom Walsh, the Oregon representative to the Endangered Species Committee.

o **BOB LEE**, University of Washington, Seattle, WA. Dr. Lee's field of study centers on the social aspects of forest resource use. For many years, he has studied the social and cultural consequences of wood supply reduction on forest-dependent communities. He is

affiliated with the non-profit group, The Temperate Forest Foundation, which seeks to develop a middle ground for the development of sustainable use practices.

- o **ED WHITELAW**, University of Oregon, Eugene, OR. Whitelaw is an economist who believes that northwest regional economies are in transition and that most timber workers and companies realize federal lands will provide less timber than in the past.

ROUNDTABLE 3: WHERE DO WE GO FROM HERE?

Presenters:

- o **JULIE NORMAN**, President of Headwaters, a southwest Oregon grassroots group working for federal forestry reform through policy research, timber sale monitoring, public education, and negotiations/litigation.

- o **JIM GEISINGER**, President, Northwest Forestry Association, Portland, OR. The NFA represents forest product manufacturers and forest landowners in Washington and Oregon who depend on public lands for fiber supply. He has more than 17 years experience working for forestry trade associations and has spent his entire career on resource issues affecting federal forest management.

- o **GUS KOSTOPULOS**, Executive Director, Woodnet, a non-profit network of more than 300 wood products manufacturers on Washington's Olympic Peninsula. Before establishing Woodnet, Kostopulos held a number of management positions, employing many of the techniques and strategies characteristic of flexible manufacturing.

- o **ROSLYN HEFFNER**, has been operating her own vocational counseling service since 1987, focusing primarily on assisting injured workers back to gainful employment. She is a registered nurse and has a Masters Degree in rehabilitation counseling.

- o **RICH NAFZIGER**, is currently Deputy Insurance Commissioner for Policy and Legislative Affairs for the state of Washington. Between 1988 and 1993, he served as Special Assistant to the Governor for Timber Policy and Rural Development and was Director of the Governor's Timber Team, responsible for coordinating state policy and programs relating to forestry issues and timber community development.

Panelists:

- o **CHARLES W. BINGHAM**, Executive Vice President, Weyerhaeuser Co.; Director of Puget Sound Power and Light Co.; Chair of the Tacoma-Pierce County American Leadership Forum; Vice President of the Mountains to Sound Greenway Trust; and a trustee of the Weyerhaeuser Foundation. He is past chair of the National Forest Products Association Board of Governors.

- o **JIM COATES**, Vice President, International Woodworkers of America Local 3-2. From 1990 to the present, he has served as Community Outreach Coordinator to provide information on training programs and available social service resources, creating innovative programs, such as a weekly television broadcast, "People Helping People," through a local ministerial association, to provide information to timber families..

o **BOB DOPPELT**, Executive Director and Co-founder of the Pacific Rivers Council. He began the Council because he owned a commercial river trip and fishing business for 11 years and experienced first-hand the environmental impacts on the region's rivers and fisheries and felt a group was needed to specifically focus on these issues. He is known as a creative national expert on riverine protection and restoration strategies.

o **IRV FLETCHER**, is President of the Oregon AFL-CIO.

o **ERIC HOLLENBECK**, began working in the woods at 14, first surveying for timber access roads and later logging. At 24, he began a logging company, the Blue Ox Millworks. Three years later, along with his wife, Hollenbeck built a sawmill and has been manufacturing finished wood products for the last 17 years. Two years ago, they opened the historic facilities for tours and this year they are opening a School of the Traditional Arts to educate tomorrow's woodworkers and entrepreneurs.

o **JIM IRVINE**, is Vice President and Treasurer, National Association of Home Builders and is a home builder from Portland. He is President of the Conifer Group, a construction, development and property management company building primarily single family homes and light commercial developments.

o **ANDY KERR**, is Conservation Director for the Oregon Natural Resources Council, a 20-year-old coalition of more than 40 sports, conservation, recreation, commercial and educational groups interested in the wise management of Oregon's lands, waters, and other natural resources. ONRC represents more than 6,000 individual members and maintains offices on Portland, Eugene, and Bend.

o **KATHERINE MATER**, is Vice President of Mater Engineering, Inc, a forest products engineering and market research firm based in Corvallis, OR, which has served the wood products industry for 50 years. She is recognized as an industry leader in researching and identifying value-added wood product manufacturing solutions which adapt to reduced raw resource supplies, yet offer profits and job security for the industry.

o **WALTER MINNICK**, is CEO of a \$400 million facility, TJ International, one of the largest purchasers of veneer in the west. They have 1,000 employees in Oregon and own four mills on the west side. He is currently a member of the ~~Governing~~ Council of The Wilderness Foundation, American Business Conference, Idaho Conservation League, and the Nature Conservancy.

o **CHARLES OLLIVIER**, has been an active participant in the International Longshoremen and Warehousemen's Union Local 14 for 27 years, 12 of which were as President. Presently, he is elected Commissioner, 5th District Humboldt Bay Harbor, Recreation and Conservation District and is the Vice President of the District.

o **FELICE PACE**, is Program Coordinator for the Klamath Forest Alliance, a community-based, non-profit organization based in northern California. The KFA works to reform public land management with special emphasis on rehabilitating damaged watersheds on public land to restore salmonid and other fisheries at risk of extinction. He has lived in Siskiyou County for 18 years and has been active in forest issues since 1980.

o **TOM ROBINSON**, for the past six years has been manager of the Oregon Salmon Commission, representing the Oregon troll fisherman and primary processors through product promotions, education, communications and research. He has served as an official salmon fishery representative on the Pacific Fishery Management Council By-Catch Committee and on the Oregon Coho Review Committee.

o **DAVE SCHMIDT**, has served as County Commissioner of Linn County, Oregon since 1988. He is a member of the Council of Forest Trust Lands and is a Board Member on the Western Interstate Region of Public Lands, which works with the Bureau of Land Management and the Forest Service on local issues.

o **TED STRONG**, has been Executive Director of the Columbia River Inter-Tribal Fish Commission for four years, created by the Confederated Tribes of the Warm Springs Reservation of Oregon, Confederated Tribes of the Umatilla Indian Reservation, Confederated Tribes and Bands of the Yakima Indian Nation, and the Nez Perce Tribe.

o **JACK WARD THOMAS**, is the Chief Research Biologist and Project Leader for Range and Wildlife Habitat Research for the USDA Forest Service. He has published more than 250 works, was a member of the "Gang of Four," the team of four government and university scientists who produced a 1991 study on the health of the forests and different management alternatives at the request of the House Agriculture and Merchant Marine Committees. Dr. Thomas chaired the Interagency Scientific Committee, which established the conservation strategy for northern spotted owls. He also was the leader of the Scientific Analysis Team which, under court order, released its report on the management of old growth ecosystems in March.

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