

Bush administration pushes privatization of public forests

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Earlier this year, working with the Forest Service and the Bureau of Land Management (BLM), the Bush administration announced plans to sell over 300,000 acres of public national forest land. The plan, which was included in the White House's 2007 budget proposal, would chiefly affect California (85,500 acres), Idaho (26,200 acres), Colorado (21,500 acres) and Missouri (21,500 acres).

The administration justified the proposed sales by claiming they would generate \$800 million for the Secure Rural Schools program, which is scheduled to run out of money this September. In reality, the Bush administration was seeking to further plunder publicly owned lands on behalf of big business—particularly the oil, natural gas and timber industries—and the land sales would have done nothing to seriously alleviate the mounting economic hardships faced by rural America.

The proposal was met with a public outcry from environmental groups and concerned citizens. In response several congressmen from the targeted states distanced themselves from the administration's proposals. According to a spokesman for the environmental organization, the Sierra Club, the administration is no longer actively pursuing the land sales proposal for the time being but is instead searching for new ways to push through its agenda of privatizing public forest lands.

Eric Antebi of the Sierra Club told the *World Socialist Web Site*, "It appears there is not enough support in Congress for this measure to go through this year. The amount of land proposed for sale was unprecedented in recent history and there was an outpouring of opposition. This is another indication of how out of touch the administration is with the American people and even among some members of Congress.

"While it doesn't look like the administration is going to expend the political capital to push this through this year, the White House hasn't changed its philosophy and

it has many other ways to pursue its objective. If they can't get away with the outright selling off of public lands, they will continue to open up the lands for logging, oil, mining and other developers. They are selling off the values, piece by piece, by leasing the lands and allowing oil companies to drill on them and other companies to exploit their natural resources. The end result is the same: land valuable to the American people is being opened up."

The Forest Service first attempted to quell the public outcry with its announcement that it intended to sell only small, scattered tracts of land that are hard to manage and, for the most part, closed off from public access by surrounding private property. However, the Forest Service failed to provide any evidence to substantiate their claims.

A recent Bureau of Land Management auction in Colorado leaves little doubt that the administration's policies are having a devastating impact on communities as well as the environment. Over \$11.8 million was raised by the BLM from the leasing of 135,000 acres of public land to energy companies in the state. Of the land leased, nearly 17,000 acres are located in the watersheds crucial for the cities of Grand Junction and Palisade.

Grand Junction, a city of 45,000 residents, attempted to lease the watersheds essential to its clean drinking water, but was outbid by an offer of \$900,000 for the land by a private bidding company, the employer of which, as of now, is unknown.

If these are the results of the present "leasing" policy, the outright sale of public lands to private energy and timber companies—and the ending of the slightest government regulation over the use of this land—would have an even more devastating impact.

Recent reports also indicate that the Bush administration is already letting energy conglomerates, which lease public lands, skirt their financial obligations. While energy conglomerates continue to report record

profits—primarily from rising oil and natural gas prices that have placed an enormous burden on working people—the government has not collected any increase in taxes and royalties from energy companies drilling on public lands. Last year’s \$60 billion in oil and gas extracted from publicly owned lands leased by the energy companies should have provided an additional \$700 million in taxes. However, carefully crafted federal regulations, or flat-out negligence, have allowed these companies to report lower sales profits to the Interior Department than it did to its stockholders.

The big loser is the American population, who allegedly own the energy resources on these public lands. All profits from oil, natural gas or minerals extracted from these lands are supposed to be regulated and taxed so that the US Treasury can collect compensation for lease of the land. These royalties typically range from 12 percent to 16 percent, when they are actually collected.

However, the *New York Times* reported that natural gas corporations have yet to provide a credible explanation as to why—given that the price of natural gas nearly doubled from 2001 to 2005—they are paying fewer royalties today than they were in 2001. If both oil and natural gas royalties are combined, the \$8 billion paid in 2001 is the same as in 2005. Oil and gas companies have unequivocally denied any wrongdoing.

As part of its energy policy the Bush administration is calling for further incentives for US oil and gas producers to expand output. However, as a report in April by *Public Citizen* points out, US oil supplies are at their biggest surplus in eight years.

Over the past six years the administration has refused to use spot-market prices to determine the value of energy sales from publicly owned lands, opening the way for producers to more easily sidestep auditing and fraud prevention measures. In addition, Vice President Cheney’s energy task force proposed lucrative new incentives for companies operating in the Gulf of Mexico and other high-risk areas.

The already excessive incentives established by the Clinton administration were based on relatively cheap oil and gas prices. As a safeguard, trigger prices were set at \$35 a barrel of oil and \$4 per thousand cubic feet of natural gas. If oil and gas prices climbed above these thresholds, the legislation would expire and incentives would be reduced. These established thresholds have been exceeded for several years with no effort by the Bush administration to begin enforcing royalty payments.

As a further safeguard to big business interests on

federal lands, Bush has appointed Idaho Governor Dirk Kempthorne as the secretary of the interior—the cabinet officer responsible for managing national parks, public lands and waters, and conserving natural resources. As a “pro-development” Western Republican who once threatened to ask the Environmental Protection Agency (EPA) to “leave Idaho,” Kempthorne has long served big corporations at the expense of environmental and public interests.

Opposing the Idaho governor’s appointment, a spokesman for the National Resources Defense Council said, “President Bush could not have made a more anti-environmental choice for his new secretary of the interior. Dirk Kempthorne surely will continue this administration’s ‘drill first, ask questions later’ approach to public land stewardship.”

A statement by the NRDC noted that during Kempthorne’s first four-and-a-half years in office, the state’s air got dirtier, more rivers were polluted, fewer polluters were inspected, and toxic emissions increased, according to a Knight Ridder analysis of Idaho pollution data from Environmental Protection Agency and state records (“Ex-EPA Foe Now In Line to Lead It,” *Philadelphia Inquirer*, June 26, 2003). Kempthorne cut the state’s environmental services budget three times in two years.

The League of Conservation Voters was no less unenthusiastic, noting, “During his career in Congress, Gov. Kempthorne earned a paltry 1% lifetime League of Conservation Voters’ score. Enough Said,” reported LCV vice president Tony Massaro.

Kempthorne is expected to fill the shoes of retiring Secretary Gale Norton—another servant of corporate interests—all too well. As interior secretary he plans to oversee the Bush administration’s push for more oil and gas drilling from the Gulf of Mexico to Alaska’s North Slope.



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