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COVER PHOTO: Snow-covered trees and ground at dawn. Photography: Arnulf Husno/Tony Stone Images

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AMERICAN
FORESTS

PEOPLE CARING FOR TREES
AND FORESTS SINCE 1875

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repairing THE system

THE RACE IS ON TO FIND A WAY TO MAKE SUSTAINABLE FORESTRY ECONOMICALLY FEASIBLE. SOME INNOVATIVE GROUPS SAY THEY'VE FOUND PART OF THE ANSWER.

WHEN NORTHWEST MONTANA LOGGER FLOYD QUIRAM cuts timber, he leaves the best trees standing. Throwing away money? Quiram doesn't think so. He considers it an investment in the future of his children, his company, and the forest itself—and a lot of people are starting to see things his way. A quick survey of the surrounding mountains shows why.

By highgrading—harvesting only the biggest, best trees—when supplies were plentiful or overcutting when they were not, short-term-oriented landowners and timber companies often diminished the forests' economic value, and altered the species mix of the new forest. Federal and state land managers, meanwhile, aggressively suppressed wildfires to protect nearby communities and private properties. In the process, they disrupted natural fire patterns, which led to profound changes in environmental structures and functions. Social and economic priorities were being met, but future consequences were largely unseen or ignored.

Now dense, overcrowded stands of small-diameter trees blanket the hills. Not viable economically to harvest, they pose a frighteningly plentiful fuel source for potentially serious wildfires.

Daunting conditions

The daunting conditions Quiram and fellow stewardship loggers

face in Montana are not unique; they shape forest landscapes and communities from Kentucky to California.

"Humboldt County, like so many others, was built on the extraction of natural resources—here timber and water," says Stephen Madrone, director of the Redwood Community Action Agency in Eureka, California. "Back then, people thought if resources weren't used, they were wasted."

Traditionally, public forests were "cash cows" for both state and federal governments, consistently generating timber sale revenues that exceeded the costs allocated for maintaining the resource. Reinvestment was primarily in reforestation, to ensure more trees could be harvested in the future. Forest managers were rewarded for keeping harvest levels up and expenses down. And they were given few incentives to increase expenditures to improve such resource values as soil, wildlife habitat, and water quality, which had little commercial value.

Driven by shareholders' demands for higher short-term profits, private industrial forest companies also have had scant motivation or incentive to plow time and money back into forests or forest companies. If resources run out in one location, if extracting them becomes too expensive, or if environmental restrictions put anticipated resources out of reach, companies can—and do—move elsewhere, leaving behind closed mills, economically distressed communities, and, in some cases, forests in need of repair.

Cost-cutting and downsizing are the watchwords of the 90s, making it difficult for public or private forest managers to argue effectively for more resources for maintenance or restoration.

Plus, critical decisions are often out of their hands, made instead far from the forest in legislative deliberations or corporate meetings. But concerned foresters are finding resourceful and highly motivated allies in local communities, where the economic and environmental consequences of past policies and practices have become painfully clear. "What we've done up 'til now is dis-invest in capital resources owned by the public," says Leah Wills of the nonprofit Plumas Corporation in Plumas

Jude Waite and The Wild Iris Project: trying to increase the value of marginally merchantable trees.



County, California. "That's no longer okay. Now we need to reinvest for the future."

Reinvesting in the forest

The means do exist for federal, state, and local governments to capture a portion of that resource value for reinvestment purposes. Various types of taxes and fees levied on such resource uses as timber, water, recreation, minerals, and grazing could help pay for social and environmental impacts. They could also offset the cost of activities such as training and economic diversification that build social capacity and sustain communities. (Social capacity builds skills that allow individuals to not only continue their livelihoods but to participate in maintaining their communities.)

When timber is harvested on national forestland, a portion of the revenues goes into special funds for activities such as reforestation and for payments to affected counties to support local services such as roads and schools.

"Reinvestment" seeks to direct revenues from natural resource activities back into efforts that restore and maintain local ecosystems and communities. One market-based approach that is gaining attention and could lead to greater reinvestment—especially on private forestlands—is certification. The hope is that producers who seek independent certification of their management practices will reap additional profits from their "green" products which they can then reinvest into better forest management.

Under the umbrella of the Forest Stewardship Council (FSC), eight regional groups are establishing criteria to assess whether producers are using sustainable harvesting for their wood, maintaining habitat and biodiversity, and providing social and economic benefits to communities. In Europe, the demand for certified goods is strong and growing, certification advocates say. In the U.S., on the other hand, there is still uncertainty about consumers' willingness to pay a premium price for many "green" products. There are other difficulties, as well. Certified wood must be identifiable as such, tracked continually from forest to mill to manufacturer to store. It takes time and education to work through bottlenecks.

"A lot of big companies would like to carry more certified products," says John Landis of SmartWood, the Rainforest Alliance's certification program, "but they are still limited to specialty items and smaller product lines."

Meanwhile, back in Montana, the broad-based, all-volunteer Flathead Forestry Project (FFP), which Floyd Quiram helped found, is crafting legislation to make it possible for forest stewardship to help pay for itself. The Forest Service currently has a vast need, but limited funding, for restoration or forest improvement projects.



The Redwood Community Action Agency's Stephen Madrone: "How do we survive while we rebuild our natural and social capital?"

Under the FFP's proposed demonstration program, the Forest Service could hire a stewardship contractor to help restore an area—by restoring streambanks, for instance, or by thinning dense stands to reduce the forest-fuels load, to give other trees more room to grow, or to return to forested conditions more in keeping with historical patterns. The contractor would be paid based on the number of acres treated satisfactorily or by some other similar measure. Proceeds from thinning would pay for additional restoration work elsewhere in the forest. Under the current timber-sale contracting system, proceeds must go to the Treasury Department or to a few special funds. Money for service contracts must be separately appropriated by Congress.

There is considerable interest in FFP's proposal, although the Rogue Institute's Cate Hartzell cautions the program would have to be carefully structured so it didn't encourage additional timber cutting to finance more restoration. To meet those and other concerns, FFP has been conducting a series of small demonstrations on private and state lands and has raised \$100,000 to pay the contracting costs for a full-scale demonstration on Flathead National Forest. Privately financing restoration work on public land is difficult, however, making donations a limited source for money for future below-cost forest stewardship activities.

Benefits from thinking small

What if the value of marginally merchantable trees could be increased? The Wild Iris Project, part of the Institute for Sustainable Forestry in Humboldt County, is attempting to do just that. Director Jude Waite thinks local loggers could economically harvest understory trees if they could be bought by local small manufacturers who then converted them into saleable products such as characterful madrone cabinet faces and tan oak flooring. To jump-start the effort, Wild Iris will provide technical assistance, kilns for drying, a brokerage service, and a yard for sorting and holding logs.