

NATIONAL PUBLIC LANDS GRAZING CAMPAIGN

Cows or Condos: A False Choice

Some conservationists fear that, if private livestock grazing is not subsidized with public lands forage, the one in five ranches in the West with federal grazing permits/leases will fail and the private base properties will become vulnerable to development. It's not that simple.

1. Relying on the private sector to protect public values is poor policy.

If it is important to the public to maintain open space, protect watersheds and preserve wildlife habitat on private ranch lands, then the public — through the government — will either have to pay for it or regulate it, because the economic goals of individual ranch owners do not often coincide with the long-term needs of the greater community. Further complicating matters, the desires and needs of these landowners change over time, or when properties are bought and sold. Thus, it is poor policy for the public to presume that ranchers will always own their properties and manage them for public values if it would conflict with their individual interests, and they are not otherwise regulated or compensated for doing so.

Several states, including Oregon, use their regulatory authority in the form of land use planning to prohibit sprawl or other undesirable development.

In states where the political will does not exist to use government to achieve public purposes on private land, other tactics are available. The most common approach is purchasing environmentally significant private lands to add to the public domain. For example, the state of Florida is spending \$400 million a year to purchase land, and plans eventually to protect over 50 percent of the state's total acreage as natural area reserves. Missouri has dedicated 1 percent of its sales tax to land acquisition and habitat protection, and as a result, the state has added significantly to its public lands. New Jersey recently passed a bond measure to buy land, with the goal of preserving 40 percent of the state's land area. Other states, such as California, Colorado and New York, have also passed similar bond measures, indicating strong public support for public land acquisition.

2. Government subsidies that are focused and conditioned are likely to achieve public purposes on private lands, while unfocused and unconditioned subsidies will not.

Most government subsidies to ranching and agriculture are unfocused and unconditioned. They are generous enough to help perpetuate marginal agricultural activities, but only as long as landowners perceive themselves to be rich enough to continue in the ranching or agricultural lifestyle. When the perceptions of a landowner changes (for example, due to age, drought, changing markets or changing landowners), agricultural subsidies may be inadequate to allow, let alone require, the land to remain in agricultural use. In most cases, private agricultural land may be subdivided and developed without any penalty associated with having received past subsidies. In the few cases where penalties are imposed, they are minor and far outweighed by profits from development.

In the case of subsidized federal grazing permits, their value is minor compared to the development value of the private "base" property. Furthermore, only one in five western cattle operations have federal grazing permits, so perpetuating or expanding grazing subsidies will not have the desired affect of preserving large tracts of privately-owned open space in the West.

In some cases, conditioned, focused government subsidies can work to maintain open space. Federal, state and local governments and private conservation trusts have traditionally purchased non-development easements that preclude development on private lands and/or conservation easements that require the land to be managed for wildlife habitat, open space and/or public recreation. However, easements are often poor investments of public funds. There are many examples where, by the time the public has agreed to pay for conservation easements, development pressures on a particular property

have skyrocketed and the easements end up costing 80-90 percent of the fair market value of the purchase price of the parcel. So the public pays most of the value of the property to prevent development, but the land remains in private ownership and under private management (with all its pre-existing uses). It is better to purchase private lands outright, by either paying 10-20 percent more than market value or buying a bit less property, so the public can own and manage it exclusively for public values, such as wildlife habitat, watershed conservation and public access.

3. It is poor conservation policy to rely on ranching as coincidental maintenance of open space.

Most ranches in the arid American West lose money. They continue operation primarily because the ranch owner desires the lifestyle. As soon as the current owner— be they a long-term rancher who's ready to sell or retire, someone who inherits the ranch, or someone who buys the operation — chooses to forgo losses associated with ranching, he or she may decide to subdivide and develop, if there is both market demand and a lack of government regulation to prevent it.¹

4. Development is driven by *demand* for new housing or vacation homes, not the *supply* of developable land.

Even in places where farming and ranching are clearly not profitable, development is not a foregone conclusion. Vast areas of the Dakotas and eastern Montana, for example, are no longer profitable for ranching, but there is still no pressure to develop the land either.

On the other hand, when development pressures do reach an area, generally no amount of generous, unfocused and unconditioned government subsidies can forestall the subdivisions. If very profitable row crop and orchard farm operations in productive agricultural areas such as Oregon's Willamette Valley and California's Central Valley are being plowed under for subdivisions, how can a marginal cattle operation in the arid West hope to compete against encroaching ranchettes?

5. Buying out federal grazing permits can enable associated private ranch lands to remain in operation longer.

If ranch owners with federal grazing permits simply need cash to continue their chosen, but unprofitable, lifestyle, under a permit buyout program they could sell their federal permits and downsize their cattle operation to their private property.

6. Ranch operations are not coincidental conservation in any case.

Private ranches may provide open space, but they are usually ecological wastelands. Most do not provide good wildlife habitat and often have poor water quality. If one's reference point is the specter of condominiums in former pasturelands, then bovines on beat-out rangeland may look better. However, if one's reference point is a natural grassland teeming with native wildlife, then livestock in a denuded, pulverized meadow looks very bad. Vast areas without any significant development (e.g., most of Nevada, southeast Oregon, eastern plains of Montana) still suffer from poor water quality, invasive weeds, and a dearth of native flora and fauna, suggesting that current land uses—primarily ranching—are not compatible with the protection of biological values. However, there are some cases, where the landowner has other income, private lands are managed primarily, or at least partially, for wildlife and watershed. In other cases, a few private ranchers have sold conservation easements to a state agency or a private party in exchange for limiting development or improving habitat on their ranchlands.

¹ In a study of public and private lands ranchers in Utah, researchers discovered that nearly one-third of ranchers approaching retirement hope to sell their property to land developers. Peterson, R. and D. L. Coppock. 2001. Economics and demographics constrain investment in Utah private grazing lands. *J. Range Manage.* 54: 106-114. The potential profits from development combined with the increasing age of those surveyed affect their decision to sell their property—not necessarily their ability or inability to maintain a viable livestock operation on public or private lands.