Paying to be pillaged

The goofy way the government sells its timber

Federal officials may be talking about deficit reductions, but the word apparently hasn't reached the U. S. Forest Service. The folks who manage America's 156 national forests must think red ink is fashionable these days.

According to one estimate, the Forest Service lost an average of $406 million annually between 1982 and 1987 in its timber sales program. That's right. It actually costs taxpayers money to sell federally owned timber to private lumbering operations. Indeed, the real losses are undoubtedly even higher, because the agency uses a peculiar accounting method.

The Wilderness Society calculates that in 1988 the federal government received 26 cents in revenue for every dollar it spent on timber sales in the Beaverhead National Forest in Montana. The rate of return was a little better in Colorado's Pike-San Isabel National Forest, 31 cents on the dollar.

In all, 74 of the 120 national forests lost money on timber sales. (There was one real money-maker in this region. Timber sales in the Allegheny National Forest in western Pennsylvania generated $2.20 in revenues for every dollar spent.)

Why such losses? The Forest Service spends huge amounts of money to build roads to enable private loggers to cut and remove trees. The roads have become expensive because they pass through rugged and remote land, unsuited environmentally for lumbering in the first place. It's a sure bet that if Uncle Sam weren't footing the bill, much of this lumbering wouldn't be taking place.

In 1984, Congress ordered the Forest Service to become more fiscally accountable. The service complied by coming up with a highly creative way to amortize its costs for roads and other improvements. Take the roads built in the Chugach National Forest in Alaska. They'll be amortized in a mere 1,810 years — about the same time the seedling Douglas firs, planted to replace the giants now being cut there, reach 300 feet.

Much of this cut-rate timber is being shipped overseas. In the meantime, the U.S. logging industry has fallen on hard times, despite the generous subsidies from the federal government.

Although selling timber from public lands at cut-rate prices didn't originate with the Reagan White House, it was elevated to a fine art by that administration. President Bush, who promised to be more attentive to the environment while struggling to lower the deficit, can kill two birds with one stone by ending a boondoggle that drains the national forests and the federal budget.

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