

Who Should Own Our Forests?*

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Abstract

Ethics provides a perspective from which to evaluate the various institutions governing our forests. Public ownership raises questions about ownership of natural resources and the constraints on ownership claims. I apply a commons model of resource exploitation both to justify and to limit claims of ownership, as well as to argue for a role for professional foresters.

My speciality is political philosophy, the institutional branch of ethics. The basic idea is that institutions matter; people behave better or worse in different institutional environments. Therefore we need to consider the institutions available for a particular activity — we will focus on managing our forest resources — and ask which of their features are ethically significant.

The most prominent institutional feature of our forests are, first, public ownership; the forests of B.C. are owned by the citizens of B.C. collectively through their government. Second, there is the forestry profession. Third, there are large industrial timber firms as tenants. These three institutions are linked by issues of ownership and control. Therefore I will start with some basic questions about *ownership* of natural resources and show how a plausible justification of ownership leads to some difficult problems about the role of the public and suggests a new justification of the forestry profession. Briefly, I shall argue that property requires responsible stewardship, that a complex resource like forests requires professional stewards, but there are reasons to doubt that the public as such can be a responsible owner.

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1 Justifying Ownership

It may seem that there is a simple answer to my question, who should own B.C.'s forests? The public owns most of the forest.¹ However, the simple answer is unsatisfying, given the nature of public ownership, which looks like a compromise between private and no ownership. Why so *many* owners, some will ask; why so *few*, ask others. Each has a point; let's start with the latter. As McDonald points out, the Forest Resource Commission's "limitation of beneficiaries to British Columbians is controversial" (McDonald 1991, p. 14). How can we justify limiting ownership of natural resources? I suggest we pursue this broad question — philosophical though it may sound — because it will prove fruitful rather quickly.²

1.1 The Tragedy of the Commons

While the justification of property raises many issues, I will focus on the special problem of ownership of *natural* resources. Unlike something that one creates, anyone's ownership of natural resources seems to take something away from the rest of humanity and this requires a special justification.

Consider the alternative to limited ownership: a world-wide commons, in which each can use any natural resource. Social science teaches that commons can be *tragic*; they tend to destroy value. In a state of nature, that is, without structuring institutions, rational agents will not get what they value: they overexploit resources.³ I assume that the tragedy of the commons is familiar to most of you. The structure of the problem is clearest in the abstract form of a two player game, The Commons Dilemma, depicted in Figure 1.⁴

The matrix depicts the situation of two agents, you and I. Each of us has two alternatives: to cut less or more freely available timber. The difference between local costs and global benefits creates a dilemma, whose logic has been the subject of extensive study.⁵ Why call this situation a *dilemma*? Because there are two plausible lines of argument supporting a decision. First, I consider

¹ “[G]oals for management of a resource should be determined by the owners of the resource. In the case of publicly owned forests, the public must be involved . . . (Tanz & Howard 1991, p. 126).

² There is a tension in applied ethics. Ethics raises the most general questions but relevant application demands attention to our particular situation. Ethics is quite radical and resists the conservative constraint of given institutions. In principle, every institution, from identifying individual humans as agents through to the division of the world into sovereign states, is open to the demand for an ethical justification. But we also need to get things done, and the agents available — such as governments — assume that some questions are settled, at least temporarily. Applied ethics must compromise, hopefully in a principled way; section 1.3 addresses an example.

³ The seminal idea of the tragedy of the commons is due to (Hardin 1968). While (Ostrom 1990) warns of limits on Hardin's model, it can be safely applied to globally available resources.

⁴ The Commons Dilemma is an instance of the mixed motive game usually called ‘the Prisoner's Dilemma’ for reasons that need not concern us here.

⁵ (Axelrod 1984) calls the Prisoner's Dilemma “the *e coli* of social science.”

		You cut	
		less	more
I cut	less	good for both	my worst, your best
	more	my best, your worst	bad for both

Figure 1: The Two-Player Commons Dilemma

what I can do independently of your decision. If you cut less, I do better (best is better than good) by cutting more. Alternatively, should you cut more, I also should cut more (bad is better than worst; mutual profligacy is better than one-sided conservation). Since you must either cut more or less, we have what appears to be a conclusive logical argument for the rationality of my choosing to cut more. This is the first horn of the dilemma. The other horn considers the symmetry of our situation, which makes it rational for you to do what I do. It would be better for us both to cut less, if we could act together, since otherwise we will exhaust the available resource. But so long as we act independently, the first argument is conclusive, and rational individual agents end up with their third best outcome and destroy the resource.⁶

1.2 Two Non-Utopian Arguments

Any of us who has sat in a traffic jam understands the logic of such situations: without supporting institutions, even well-intentioned agents can be trapped in social situations that generate bad outcomes. How is this relevant to resource ownership? Without ownership the resource will be destroyed, so acquisition does not deny others what they would otherwise have. In the resulting commons, most would have very little if anything.⁷ The commons is so pernicious that whatever lets us avoid it is ethically justified. This is the basic argument for limiting ownership, upon which there is widespread agreement among moral theories.

Let me focus on the social contract, because McDonald uses it and it may not be obvious how it addresses his doubts about limited ownership. One argument is based on a principle of fairness.⁸ Roughly, one has an obligation to support a just scheme if enough others also support it. But, as we have seen in the commons model, justice is not natural; it is not the equilibrium of social systems, not the product of an invisible hand. The contract argument links obligations to the existence of working institutions, capable of providing assurance of compliance and sanctions for non-compliance. The existence of effective legal and political institutions at the national and provincial levels, and their

⁶It is sometimes claimed that this is “short-term” reasoning (cf. (Baskerville 1988, p. 195) but this misdiagnoses the problem. Independent choice, not shortsightedness, is the problem.

⁷Here I am indebted to (Schmidtz 1991).

⁸Note that (Rawls 1971) calls his theory “justice as fairness.”

absence at the global level, is the crucial fact here. What conclusions follow about resource ownership? Roughly this: in the absence of a world government, global ownership of resources is not a feasible alternative; it would leave us in the commons.⁹

Both arguments turn on the same non-utopian point. We should not assume that the alternative to working institutions, such as governments and property, is a world without their obvious flaws, but otherwise the same. It is a different world, with its own logic. In particular, the alternative to local control is a global commons, which is driven by the logic just described to tragic outcomes.

1.3 The Proviso

This argument may seem incomplete, as it fails to meet all of McDonald's concerns. He writes, "Morally, it seem to me that a very strong case can be made that it is wrong to use our resources in ways that harm others." (McDonald 1991, p. 14). I agree; this brings us back to our main argument for local ownership and speaks to another concern as well. Appeal to a social contract appears to beg the question of ownership: why do *we* get to divide *these* resources up? The main argument admits the initial arbitrariness of appropriation (others could have settled here) that frames the contract but limits it in this way: one is only justified in appropriating what leaves others no worse off. This constraint is called the (Lockean) Proviso.¹⁰

Notice that this proviso principle doesn't demand that resources be held by the most efficient user, and this may seem a defect. But a weak proviso accords with the non-utopianism we noted above: there is no effective global institution to assign optimal owners. Local ownership is a way to make do in our actual situation, so long as we do not harm others thereby.¹¹ But there are problems. Consider the threat of global warming. Human induced atmospheric change provides new ways in which burning fossil fuels and cutting forests may make others worse off, and therefore harm them.¹² Degrading forest quality may also make others worse off in a variety of ways.

Because of the proviso, our justification does not yield unconditional property rights in natural resources. It follows that we may only (continue to) claim

⁹Only roughly, because as we shall see below, government does not guarantee a solution. For those who think that less than a world government would suffice, consider the recent failure of the Northwest Atlantic Fisheries Organization to follow scientific advice and limit quotas.

¹⁰The focus on Locke's proviso is due to (Nozick 1974); this addition to contractarian theory is due to (Gauthier 1986), who uses it generally to determine the rights that agents bring to the contract bargain. (Cf. (Danielson 1991) for a critical account.) Of particular relevance to our topic, Gauthier also uses this principle to justify the imperial expropriation of North American aboriginals.

¹¹In addition, if owners are free to trade property, the market may take up the slack, according to the Coase Theorem.

¹²Note that these activities are not harmful according to currently accepted legal conventions (Bankes 1991); mine is an ethical, not a legal claim.

justified ownership of our forests if others are not made worse off. Ownership itself does not prevent this. Our claims may be ineffective in altering the original commons or they may worsen the problem by encouraging competitive overinvestment in harvesting technology. Typically, owners must do something effectively to protect the resource they claim: they must be stewards. If anything like the proviso is involved in its justification, ownership requires stewardship. This has consequences for public ownership and for professional forestry as we shall soon see.

2 Public Ownership

Can we stop here? Have we provided a justification for *public* ownership? I think not. We must consider whether public ownership, which remains collective, actually removes resources from the pernicious commons. Again the answer may seem simple. Public ownership does not imply joint rights of access and control. In effect, the government acts as the agent for the owners, leasing forests to industrial tenants. Thus forests are effectively removed from the commons.

2.1 Rent-Seeking

Apparently not, because we Canadians have what Baskerville calls “slum forests,” evidently the result of overexploitation. So the analysis does not press far enough; it fails to consider the fiscal mechanism that explains why a commons persists under public ownership.

[T]he people who own 90% of the forests of Canada have, until this decade, seen fit to use annually less than 5% of the taxes captured from industrial use of the forest for maintaining the productive capacity of the forest. *The state of the public forests of Canada is an accurate reflection of the concerns of its owners, as expressed by willingness of the owners to direct significant amounts of the revenues from them towards management of the forest property.*¹³

I agree with Baskerville that public ownership creates an analogue to the original tragedy of the commons. Public choice economists call the process rent-seeking; we know it as interest group or pork-barrel politics. The general point is that the political solution to the natural social dilemma re-instates the dilemma at a higher level. Government controlled resources are themselves a commons, over which we may then choose to fight for control. Figure 2 shows the situation of two agents, each of whom can choose to seek more or less government support

¹³(Baskerville 1988, p. 195); emphasis in the original. It is worth noting that this charge of our failures as stewards of our forests does not appeal to controversial environmental or other values (such as loss of jobs in the forestry sector). It rests on the “decline of the quality of the raw material, in terms of species and size.”

for her particular projects. Once again we can predict over-exploitation of the resources available to the government. The enormous growth of public debt as well as the decline of publicly held forests are evidence for this model.

		You seek	
		less	more
I seek	less	good for both	my worst, your best
	more	my best, your worst	bad for both

Figure 2: The Rent-Seeking Dilemma

This dilemma has further pessimistic dynamics, as the smaller groups that benefit from a policy can work together to favour their local interests often by using or changing the political system. For example, the anti-democratic bias in favour of agricultural subsidies is well-known. In Canada it has overthrown the principle of one person one vote. (Cf. (Bercuson & Cooper 1991).)

However, Baskerville draws an unwarranted pessimistic conclusion in the italicized part of the quotation above. Once we see that agents are caught in a commons dilemma, we should not read their choices as “an accurate reflection of the[ir] concerns.” Each may prefer less government spending and yet each chooses to support more spending, just as I drive a car but do not prefer traffic jams or smog. Commons problems are not only pernicious in terms of outcomes but they also pervert our sources of information about preferences and values.¹⁴

2.2 Sell the forests?

The rent-seeking dilemma provides an argument for narrow ownership, as individual (or corporate) owners of forests would not be under the perverse pressure to escalate exploitation while others bore the costs. I hasten to add that this is but *one* reason; it need not be decisive. Divided ownership systems depend more on market mechanisms, and these, like political mechanisms, are also known to fail, for two reasons. Markets may not take into account many roles that forests play, such as watersheds or recreational sites, because these are unpriced. Second, they do not take into account non-economic values which many find in the forests.

The debate between public and private ownership of forests remains open. Neither is able to solve the commons problem alone. Markets need governments to price externalities and governments apparently need to disaggregate some of the resources that they control. In the light of this common failure, we should avoid the limiting and ideologically ossified two-sided debate. It is heartening

¹⁴A fuller discussion would note how any but the most elementary social dilemmas have many (pareto) optimal outcomes, choosing amongst which is a bargaining problem. Bargaining notoriously generates additional pressures to dissimulate.

to note that markets and governments are not our only options. For example, (Ostrom 1990, Chapter 3) claims that self-governing communal forms of land tenure has been successful for hundreds of years in mountainous forests of Switzerland and Japan. I cannot stress too much the seriousness of the search for solutions to commons problems. If they are not solved they threaten to undermine our claims to natural resource ownership, as well as the basis for much that we value.

3 Scope & Limits of Professional Forestry

3.1 A Proviso Justification

However the forests are owned, they still need to be managed. I will now argue that the proviso defense of ownership provides a justification for professional forestry. The justification has two parts. The first part is based on knowledge and has special force where the owners are *incompetent* to manage the resource. I am putting the familiar point about the professional's technical knowledge in a new context. The public lacks the knowledge effectively to control forest resources.¹⁵ But, as we have seen, the proviso requires effective control and effective control of this complex natural resource requires knowledge.

As an example of the demands on knowledge, consider proposals to plant trees to offset carbon emissions and so mitigate global warming.¹⁶ However, uninformed planting is likely to be genetically naive. On the time scale of the intended benefits, it is important to consider subtle issues of genetic diversity and local suitability.¹⁷ Tree planting efforts ought to be supervised by knowledgeable professionals.

The second part of the justification is the need for trust. Control over forests is action at a distance. The effects occur elsewhere than most of us live, or in the future, and are complex and develop over timespans that resist easy monitoring. Therefore we need trusted agents to undertake these activities and ethical constraint is central to trust.¹⁸

The argument for the professional role of foresters follows from the existence of an ethical constraint on ownership. Both public owner and industrial owners or tenants need to be constrained to be stewards of forest resources. Foresters have the needed knowledge to manage the resource in the ethically required way. Professional organization is a way to secure the demands of ethics against predictable market and political pressures.

¹⁵For example, (Baskerville 1990, p. 28) argues that the public cannot even formulate goals for their forests: "Only a minute portion of the national discussion of sustainability has come remotely close to facing technical reality."

¹⁶The American Forestry Association Global Re-Leaf scheme an example.

¹⁷Cf. (Guinon 1990).

¹⁸Michael McDonald makes a related point by stressing that ethics is "at the core of professional life" (McDonald 1991, p. 3).

3.2 Professional Failure

While I have barely sketched a justification for an institutionalized forestry profession, I should also indicate some of the limits on this justification. First, as an institution, professions also have predictable weaknesses; professional failure is closely related to political failure. At their worse, professional organizations can themselves act as interest groups and lobbies with the added advantage of a monopoly on information about their area of expertise. A task for professional ethics is to counteract these tendencies, analogous to “regulatory capture” in the political realm. Again there is a role for social science to warn us of the structural pressures ethics needs to resist.

3.3 Value Disagreement

In addition, we face a basic problem of value disagreement. Well informed people of good will may simply disagree about using forest resources. There has been a change in values, from economic to non-economic uses. There is also a gulf between urban communities and those more directly dependent on forest industries.¹⁹

It is important to stress that ethics provides no generally accepted solution for fundamental value conflicts. Of course many conflicts can be mitigated or resolved by the impartial methods ethics suggests. But even well-intentioned people committed to cooperation can ultimately disagree. Ethics provides no “magic wand” at this point. Therefore claiming a role for an ethical constituted profession need not commit us — unrealistically — to claims beyond our rational powers.

Indeed, having noted the failure of political and economic mechanisms, we should be concerned with evidence of *ethical failure*. Can there be costs of invoking an ethical framework for value conflicts? Some argue that using the language of rights to characterize value conflicts is such a cost (Sumner 1987). Consider the sad — perhaps tragic — fate of the population problem once it became embroiled with the abortion controversy, itself deadlocked by entrenchment to moralized positions, where conflicting rights resist compromise.

Finally, I suggest that the profession is structurally inadequate to do the jobs of its main competitors with respect to value disagreement. The forestry profession possesses no mechanism to overcome value disagreement. Consider (Tanz & Howard 1991, p. 130)’s proposal for “Meaningful Public participation in the planning and management of publicly owned forests”, which raises the crucial questions: by whom and how policies should be selected and implemented? But when we turn to the proposed procedure, the idea of “forest constituencies” is just a redescription of interest groups within the general owning public; no new institutional mechanism is offered to resolve conflict between these groups.

¹⁹(*The future of our forests:Executive Summary* n.d., p. 28) talks of “two economies”; cf. (Baskerville 1990, p. 28).

Therefore, when we get down to step three in the procedure, we are back to where we started. Now we have the interested (organized) parties and their demands for timber, wilderness, paved access, motorsport space etc. Without some method to weigh these demands, or perhaps to factor them to different areas, what have we gained?

Conclusion

Philosophers are sometimes accused of raising more questions than they answer. What about my question; who should own our forests? While I cannot give a definite answer, I can help constrain it. I have argued first, that the commons problem justifies local ownership of B.C.'s forests, but only if they are managed conservatively. Second, public ownership is not an institution well-suited to stewardship. Third, there is a role for professionals to knowledgeably and reliably carry out this management task. Where does this leave us? Perhaps my conclusion is best seen as reversing a common presumption we bring to this problem, namely that owners call the shots. If my argument is right, ownership claims are dependent on professional stewardship. We need to discover or invent forms of ownership that suit the mission of professional forestry, not the reverse. This is an ethical challenge of a most demanding kind.

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