



THE WILDERNESS SOCIETY

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December 27, 2007

Mr. Edward Shepard
State Director
Bureau of Land Management
Oregon State Office
P.O. Box 2965
Portland, Oregon 97208

Dear Mr. Shepard:

I work as a resource economist for The Wilderness Society in Seattle, Washington and Bozeman, Montana. I earned a B.S. with a major in Economics from the University of Montana in 1981. I attended graduate school at the Economics Department of the University of Wyoming, where I earned a Ph.D. in Economics in 1986. Since, I have held tenure-track or tenured faculty positions at the Economics Departments of New Mexico State University and Oregon State University (OSU). At OSU I became Associate Professor of Economics in 1992 and Professor of Economics in 2002. I held the latter position until 2007. In 2003-2004, I served with the Environmental Protection Agency in Washington, DC as a Science and Technology Policy Fellow of the American Association for the Advancement of Science. I have published numerous papers on environmental and natural resource economics in peer-reviewed journals, such as the *American Economic Review*, *Journal of Environmental Economics and Management*, *Energy and Resource Economics*, *Rand Journal of Economics*, *American Journal of Agricultural Economics*, and *Ecological Economics*.

As you are aware BLM has proposed to revise the management plans for over 2.6 million acres of BLM managed lands located in the Oregon Coast Range and the west slopes of the Cascade Mountains. Pursuant to this in August 2007 BLM released Draft Environmental Impact Statement for the Revision of the Resource Management Plans of the Western Oregon Bureau of Land Management Districts (DEIS I, II, and III) and invited comments. BLM's has selected Alternative #2 as its preferred alternative. Alternative #2 would nearly triple the volume of timber extracted from BLM lands, from the current 268 MMBF (million board feet) to 769 MMBF per year and would double the acreage of old-growth stands logged. In the first 10 years, BLM's Alternative #2 would subject 143,400 acres to clearcutting, euphemistically referred to as regeneration cuts. Alternative #2 would reduce the acreage of late-successional reserves established by the Northwest Forest Plan from 936,000 acres to 494,000 acres. Late successional reserves serve as vital refugia for over 600 species associated with old-growth forests in the Pacific Northwest (PNW).

Alternative #2 would also reduce the width of riparian buffers by about 75 percent, and reduce Riparian Reserves from 364,000 acres to 156,000 acres. Riparian buffers are vital to enhancing or maintaining aquatic microclimates important for salmon and other aquatic species.

In preparing its DEIS and selecting its preferred alternative, BLM has failed to use the appropriate tools to estimate the economic impacts of its actions and/or has failed to adequately explain how the analytic tools were applied. In addition, BLM has not considered the full range of scientific research on the ecological and economic value of

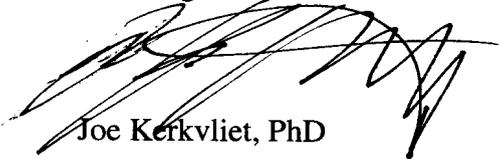
PNW forests. My comments identify some of the errors in the economic analysis conducted in the DEIS and suggestions for improvement.

I will focus my comments in five areas:

- I. The economic analysis done by BLM for DEIS is inadequate. It does not adequately consider changes in wood products and stumpage markets, technological change in lumber manufacturing, and a reasonable range of future economic scenarios.
- II. The economic models used by BLM to make employment and revenue predictions are either not adequately explained and documented or inadequate for the task of forecasting timber volumes and revenues, O&C payments, and employment effects 10 years or more into the future.
- III. BLM's socioeconomic analysis fails to consider the changing nature of the economies of Oregon, especially its rural economies, and the important role played by natural amenities and protected public land in these economies;
- IV. BLM's socioeconomic analysis completely fails to consider the impact of its management decisions on the valuable ecosystems services provided by the PNW forests, including clean water, biodiversity, and climate-regulating carbon storage.
- V. By choosing to manage its lands for additional timber extraction, BLM will not be able to achieve its goal of contributing to community stability.

Please give my comments and recommendations the appropriate consideration and make necessary supplements and changes to the DEIS. If you have questions or wish additional information, please contact me at 206 624 6430 or jkerkvliet@twsnw.org.

Best Regards,

A handwritten signature in black ink, appearing to read 'Joe Kerkvliet', written over a horizontal line.

Joe Kerkvliet, PhD