

Forest Privatization

Misdiagnosis of Commons Management

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THE HENRY GEORGE SCHOOL OF SOCIAL SCIENCE

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“Social reform is not to be secured by noise and shouting ... but by the awakening of thought and the progress of ideas.”

- Henry George
New York, 1883

About the Author

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Dr. Marty Rowland is a lecturer and frequent panelist at the Henry George School of Social Science, where he is also a member of the Board of Trustees. His doctorate is in natural resource economics and he is a professional environmental engineer who is adept in advancing a Geor-gist economic and social reform point of view. Dr. Rowland is currently employed with the NYC Department of Parks & Recreation, lowering risks of soil contaminant exposures.

Introduction

It's been thirty years since Garrett Hardin admitted (Hardin 1994) to his faulty analysis (in his *Tragedy of the Commons* paper, hereafter called the tragedy paper) of resolving the commons tragedy with private property (Hardin 1968). Although he allowed for state management of harms when private actions (or actions taken where there is no effective management) have externalities, the universal message taught in business (Spiliakos 2019) and environmental science (National Library of Medicine 2024) schools today is that people do not value shared things, while citing Hardin. This paper analyzes Hardin's "tragedy virus" to its root, showing the faulty foundation it rests upon, i.e., his allegory of cows in a pasture. But here, the critical issue is not that something is held in common; the issue is what is held in common: cows or the pasture land. This paper then illustrates how efforts to mitigate deforestation (among other environmental harms) suffer because of this faulty private ownership focus. Lastly, a solution is presented, combining Elinor Ostrom's policy recommendations (i.e., her principles for common pool resource management) (Ostrom 1990) and Henry George's (George 1879) philosophical position that no property (unless created with human exertion) can be privately held. Also, rather than subsidizing private actors, society should remove all taxes on labor and capital, and put all taxes, instead, on land value, including value of forested land. Many of the natural resource management

problems seen today are the result of not taking Ostrom's recommendations far enough, i.e., taking them out of a resource-only (land) analysis (a view supported by David Harvey) (Harvey 2011) and putting them on a Georgist analysis of land, labor, and capital.

Hardin's Disastrous Advice

In 1968, the world was challenged to refute the idea that only when something is privately owned can that something attain a sustainable level of use (Hardin 1968). Private use is typically envisioned to be under the sway of moral actors who would not waste valuable resources. But when moral sanction is lifted, as in the case of "nobody owns it," waste flourishes. The flaw in Hardin's thinking was characterizing "the commons" as the state of nature of zero management, where land is not owned. Ostrom's advance in ecological management was in identifying the natural law principles of (sustainable) common pool resource management, found across the globe, for thousands of years, regardless of culture, race, geography, or sex (Ostrom 1990), and it was Rowland's contribution to identify such a case with millions of participants (Rowland 2000). But how were people hoodwinked then and how is it possible we still suffer from Hardin's tragedy virus? The best way to analyze the tragedy paper is to break it down into an analysis of non-human elements of the allegory of cows on land.

Common/Wild, Private, and State Cows

In one view, there are cows that are wild, of the commons, that roam with abundant food and few predators – not a tragedy. Then you have private cows that are protected and well cared for – also, not a tragedy. Then you have state cows that could be treated well, perhaps isolated for experimentation, but in general – not a tragedy.

Unowned/Common, Private, State, and Common Pool Land

In an alternate view, the focus is on land, not cows, and we start with land that is unowned, or of “the commons” as it is often called – this is the basis of the false narrative of the tragedy paper; i.e., that the commons land will be exploited and degraded because nobody is looking after it. This is also the case when private or state land is mismanaged so as to make it “as if” unowned. Then you have private land – this is the tragedy paper’s solution to the effects of unowned/common land. See (Ellis 2020) for a good example of this. Then you have state land (including private land with heavy state sanctions), which may represent an improvement over unowned/common and private lands when externalities are produced in those alternative property regimes. See (DEC 2022) and (NYS Law 2014) for examples of a state property regime.

Finally, there is common pool land that is collectively owned for the benefit of multiple owners, and in that way is less susceptible to overexploitation and degradation (because of Ostrom’s principles of member and space limitation, accountability, and an enforced collective benefit) and geared toward sustainable use/safe withdrawals – clearly, an improvement over private land. But, how does all this apply to forests?

Common Pool Forests

Putting the tragedy paper under the microscope (above) allows for a critical evaluation of choices regarding forests. A dominant western narrative is that private, free-market opportunity of ownership of everything is the ideal. This is seen with arguments and programs that give government subsidies to private land owners so as to nudge them toward “better social outcomes;” e.g., improved forest management subsidies to encourage less deforestation, robust carbon sequestration capacity, increased forest biodiversity, and less pollution. An example of this is the case of Norfolk Southern (NS), which is a railroad conglomerate, best known for its release of an estimated 500 tons of vinyl chloride, phosgene (a choking agent banned from wartime use by the Geneva Protocol, signed in 1925), and carbon dioxide in East Palestine, Ohio following the failure of a braking system while hauling toxic chemicals (Duer 2023). NS takes pride that it re-planted a

deforested area (in the state of Mississippi that the company owns) with 6 million trees on 15.6 square miles (Norfolk Southern 2023). NS makes no accounting of who harvested that area, when, or how much money was made doing it. But the re-planting netted NS 130,000 carbon credits (Norfolk Southern 2023). At \$4 per metric ton of CO₂ sequestered (i.e., per carbon credit, within the voluntary market for nature-based offsets), the replanting may have netted NS \$520,000 worth of credits (Carbon Credits 2023). The math says 46 seedlings sequester one ton of CO₂. But that would only be true if the seedlings were mature trees, sequestering 48.5 pounds per year. What is stopping NS (in the future when those trees are mature) to harvest them, then replant seedlings at a one-to-one ratio rather than a higher ratio, considering the underperformance of seedlings over mature trees with regard to carbon sequestration. Such a practice is a net drain on the CO₂ emissions-sequestering balance and is a devastating negative imbalance if even one of the 6 million trees harvested in each cycle is burned for energy. The aforementioned subsidies are in contrast to an Ostrom/George narrative that holds such subsidies as a squandering of a community's wealth, because: a) It is immoral for that which no man made to be privately owned (George); and b) land and all other natural resources can be sustainably used when tried-and-true common pool principles are followed (Ostrom).

What If Morality Ruled?

What forest policies would change if an Ostrom/George morality ruled human behaviors?

1. Carbon credit programs (Carbon Credits 2023) would either disappear, or the income stream now privately captured would be collectively captured – see (Coffield and Rander-son 2022) and (Greenfield 2023) for examples of failed carbon credit programs; and
 2. Subsidies to nudge private owners to take actions they may not otherwise take (e.g., clean out forest underbrush to prevent forest fires) would end – replaced by a resource/land value tax that may be reduced, provided what was collectively paid for nudging was now credited to offset a portion of the tax. In a sense, the global community has been taken hostage, whereby, if subsidies for private forests are not granted, those forests will be clear cut, burned down, or both. See (Ellis 2020) for another example of deforestation under private forest management that involves a large-scale involvement of a Timber Mafia in Romania, where ancient forests (some trees in excess of 500 years old) were harvested so that Europeans can enjoy their wood pellets for domestic heating.
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Conclusion

Forests must be seen in a new light. Forests, and the trees that define them, must be seen as collectively owned, and any income

stream derived from them carefully assessed for a proper duty for the collective. It is therefore asserted that the following policies are misguided:

1. Allowing large polluters to continue polluting as long as they pay a forest “owner” to not do something (i.e., allow trees to grow, something they’ve been doing for 380 million years); it makes more sense for the larger polluter to plant more trees, as that is a net gain in carbon sequestration capacity (for example).
2. Subsidizing the harvesting of trees while feigning concern for carbon emissions;
3. Characterizing the burning of wood pellets for domestic heat as a renewable resource (a curious practice of northern Europeans), while feigning concern for carbon emissions – see (Catanoso 2022) for a discussion of this phenomenon; and
4. Encouraging Global South nations to emit less carbon (ignoring the potential for indigenous forests to sequester carbon, and/or rejecting the use of carbon-free nuclear energy) in a strategy that does not necessarily allow those nations to develop in the interest of their populations. See (Donald 2023) for an excellent overview of this challenge.

It is asserted that forest management should be grounded in Ostrom/Georgist morality, a point of view guided by an ethical compass, shared by many who support sustainable and resilient practices regarding natural resources. For others, this is a limitation of individual liberty or freedom. A Georgist, in response,

would say no – our way creates a higher level of liberty and freedom that celebrates community and the equitable distribution of wealth.

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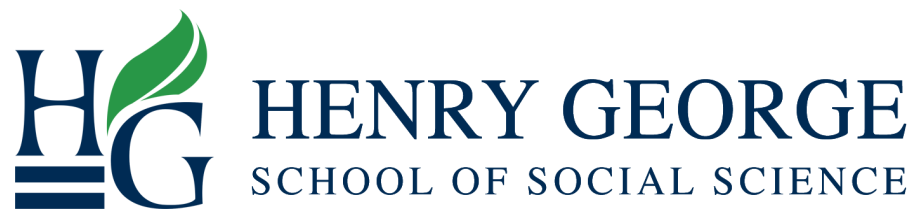
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