Remarks of Assistant Secretary John A. Carver, Jr., before the National Advisory Board Council, November 15, 1962, Las Vegas, Nevada.

I would like to bring your proper perspective of the problem at hand. I request that you keep your feet on the ground when considering the grazing fee issue and that the lights of Las Vegas still enable you to maintain an even keel and perspective. Thank you.

Chairman Hughes next introduced Assistant Secretary of the Interior, John A. Carver, Jr., who addressed the meeting as follows:

SECRETARY CARVER:

This is the third session of the National Grazing Advisory Board Council that I have attended during the administration of Secretary Udall. It is, however, as you know, and as the Director pointed out, the first session which has included the representatives of the non-livestock and non-wildlife interests in the public lands administered by the Department of the Interior.

I plan today to direct most of my remarks to those people who are new to this Council and I will confess at the very outset that I am really taking advantage of my friendship with most of them to use them as the peg on which to hang my remarks. I have had the privilege and the pleasure of working with most of the new members here on a number of problems.
affecting the Department of the Interior over the past almost two years and I feel I know most of them very well indeed.

Certainly Bill Williams of New Mexico and I have worked on soil and moisture conservation cooperative work, I think most creditably, for the relationships with the members of the National Association of Soil Conservation Districts, which he represents and which are doing wonderful work.

I have known Ed Clyde for twenty five years and I sort of lived together at one time during our school days and I am certainly glad to welcome him here. I have had the privilege of working with Hugh Shamberger. Just a week or two ago Judge Rea came up to a conference we had on timber matters in Portland, his home. The National Association of County Officials and Mr. Ricca are well known in the halls of the Department of the Interior. Some of the other members, Mr. Whaley and Mr. Harris, I haven't known so well but I look forward to an acquaintanceship with you.

Knowing all of you men as well as I do, I can't really say with any force anything that is new to you. But because I have started that way, I want to go ahead and outline in a general way what the work of this committee is with the Department of the Interior as I would explain it to someone who doesn't have the familiarity which each of you do have with the basic statute which is involved, and with the organization and personnel of the Department of the Interior and the Bureau
of Land Management and with the officials of the other departments which may be affected, and with the leaders of Congress from out here in the West and nation-wide who are working with this problem.

We will start with the Taylor Grazing Act. I would recommend, not to the old council members who can generally recite it by heart and do if ever attempt to depart from it but to the new members that it would be worthwhile at the beginning of your service to read the Act itself. As you read it, I would hope that you keep in mind these special points about it which I consider significant. One thing I would like you to remember is, at least from the point of view of the administration of it in the Interior Department, that it is the law. It is an enactment of the Congress of the United States which controls the operations of the subject matters referred to therein, the public lands of the United States. We do not have in the Department of the Interior any authority to amend it or repeal it administratively.

The second thing I would ask you to remember as you go through it is that it is a conservation measure, probably as great a conservation measure as the Congress has enacted in the field of public land administration in its entire history. The words of praise which you will hear about it as a fine conservation measure are well earned and the
history of its operations indicates the wisdom of the people who figured out twenty-eight years ago what was needed to achieve the conservation reform on the public land.

The third thing I would like you to keep in mind as you go through the statute is that the statute itself contemplates the kind of relationship which is represented here today, specifically industry-government cooperation. You will find, for example, in section 18 of the Act a provision, a wise provision by the Congress for a democratically elected District Advisory Board, which is the basic statutory board for the operation of the provisions of this Act. You will find there, and I will read just a word of it: "In order that the Secretary of the Interior may have the benefit of the fullest information and advice concerning physical, economic, and other local conditions in the several grazing districts, there shall be an advisory board of local stockmen in each such district, the members of which shall be known as grazing district advisers." This is the statutory board and it has that authority, it has its charter from the Congress.

From some of the remarks which you have heard, and indeed if you will look at the agenda of today's meeting, I think you will come to the conclusion that the principal preoccupation which we have today is with the matter of grazing fees. You will see, beginning with this morning and running through tomorrow, we have both technical and administrative
presentations of some of this subject matter. We have reports from committees, and, as Mr. Swallow and the Director both announced to you, there will also be some public discussion of it following our agenda this afternoon.

I suppose you members who are new here would feel, therefore, quite well at home because the matter of charges for something as common as forage, is something which every one of you could quite legitimately feel an expertise. You would need to take your hat off to no long-time member of the board when you are dealing with the subject of how much the government ought to charge for the use of the public range.

I will borrow Mr. Swallow's phrase here that you need some perception and some perspective if you come to the conclusion that is is going to be the main preoccupation or the main concern of your participation in the work of this council over the months and years ahead, because it seems to me there are many things much more important than the matter of fees. They have a heavy place on the agenda today but I would like to try, during the balance of the time remaining to me, to put this in the kind of perspective of which Mr. Swallow is speaking.

I would like, therefore, to start out by saying that the livestock industry and those of you who are concerned in an associated way with the livestock industry or with the land on
which the livestock industry operates, and on the other hand also the United States Government, ought to consider is whether or not there are common objectives upon which we can agree in dealing with this question, the management of the public lands.

Indeed, that is the common objective we all have here, and that is the proper, the appropriate, the correct, the wisest management of the lands which belong to all of the people of the United States, and which we characterize or call the public domain lands.

In other words, every man here, whatever his background may be, is committed to the idea that the public lands should be wisely managed. He is committed to that idea because he realizes that the land base is at the root of our whole system. In other words, he is committed to the wise management of the land for its own sake. But because he is a citizen of his community and because he recognizes the economic forces that are at work, he is also committed to the wise management of the land because of the economic benefits which flow from wise management. Those economic benefits may be directly to an industry, as for example the livestock industry. It may be to some other industry. But in addition to the industry which is concerned, which has some dependence upon the public land, we have to be concerned also with the economic benefits flowing through the industry to the communities.
of which the industry is a part. Many of you are in communities of which the livestock industry is the industry, and if you took it away, nothing would be left.

We have similar situations, as most of you know, where the principal industry also depends upon the public land in another way; mineral and mining communities where they mine on the public lands, and more importantly perhaps in the northwest, those areas which are solely dependent upon timber, the [growing] timber on the public lands.

Then we are concerned not just with the economic benefits which flow directly, but we are also concerned with values which do not easily have an economic base attached to them; certainly some types of recreation value, certain types of outdoor experiences are included in this, and certainly the wildlife values have an importance above and beyond any economic price tag that you may put upon wildlife benefits.

If I may refer just a moment back to the Act itself, Judge Hughes mentioned that it was on the recommendation of this board that wildlife members were very early added to it. You will find in both section 18 and in section 9, references to the wildlife members on the board and in section 9 you will find specific reference in the statute for cooperation. I will read this: "The Secretary of the Interior shall provide, by suitable rules and regulations, for cooperation with local
associations of stockmen, State land officials, and official State agencies engaged in conservation or propagation of wildlife interested in the use of the grazing districts."

So, we are interested, as I have said, we have a common objective in the wise management of the land for its economic advantages, as we have for advantages to which we can't so easily put a price tag.

In a larger sense, we are interested in the future. We are conservationists, all of us, whether you are a sheep or a cattle operator or whether you are a county official or whatever. We have an interest in the future. We want to leave the land in at least as good a shape and if possible in better shape than we found it when we came upon it. So we have that common objective in the correct management of the land.

Some of the members of this board have applied their thoughts and their minds to the special importance which the protein which comes from the public lands, the livestock, that particular kind of food may have in the future in this atom frightened world.

If this is our general common ground, the wise management of the land, where does the matter of grazing fees fit into it? What is the perspective on fees on this question of our common objectives? Let's consider it from the Government's side and let's consider it from the operators' or industry's side.
First the Government. Fees themselves are of relatively minor importance in terms of the budget or the management of the public lands committed to the Department of the Interior. We collect, somebody will correct me if I am wrong on this, about three million dollars a year from grazing districts from about 30,000 permittees or an average of about a hundred dollars from each. We tend to lump the fees collected from all sources when we are dealing with the stewardship that we in the Department of the Interior have over the lands. For example, we are likely to say that we take in, let's take a round figure, three hundred and twenty five million dollars a year for the use of the public land. But it is sort of like horse and rabbit stew. About three hundred million of this may come from bonuses and other oil revenues and about twenty million of it may come from timber and three million dollars of it may come from grazing fees.

The first point I would like to make is that on the Government's side, the amount of money that we take in really significantly large in terms of the total budget of the Federal Government or of the Department.

In the second place, as the statute points out, the money we take in is covered into the Treasury and the Congress exercises control over its use by appropriating it back for our management purposes. Those of you who have studied the Act
real carefully will see that there were some kind of curve-balls involved in this but they don't really affect what I have said. So we can say not what fees are but what they are not. The fees are not an appropriate method of financing the amount of work that is done in administering the public lands, nor is an appropriate method of recouping the amount of money which may be needed to pay some significant part of the National debt.

At one time it was government policy that public lands should be disposed of for liquidation of the National debt but we are not in that league any more. If this is so, if the fees are not really very important in considering the cost of the job of management of the land, why, from the Government's standpoint, are we so concerned about it? What is our interest in the matter of grazing fees?

Forget the Department of the Interior for a moment and just think of the Government generally. Think of the Executive Branch, the President and all of the executive departments and the overall supervisory responsibility of the Bureau of the Budget and then think of the appropriations and the legislative process of Congress and you will find, I think, that two schools of thought militate against the status quo, on the matter of grazing fees.

The first one is the school of thought which I have often referred to as the arithmetic school of thought.
Another word might be the Symmetry school of thought. This is the school of thought which says that since we are the Federal Government and it is one Federal Government, therefore there ought to be one standard, uniform price for all of the forage over which the Government of the United States may have any kind of stewardship. This is the school of thought which makes the comparisons between 19¢ for BLM District land and 60¢ for Forest Service land or something on that order, and a dollar and something for Indian Bureau land, etc. You are all familiar with that.

In other words, there are those people who just take these comparisons and say "Obviously if the Government can get that much for a month's forage for an animal in one place, they ought to be able to get it everywhere." I won't bore you by going into all the reasons why that isn't the school of thought I adopt here because I have done that before. I am just laying it out on the one hand.

On the other hand there is a competitive pricing school of thought. That is the school of thought which says that the Government as a proprietor ought to put bids, so to speak, that the amount of money the Government gets can best be equated as a fair value of it by laying it out and letting those interested bid against each other for it.

This is the school of thought followed by, say, the General Services Administration, or some other land management
agencies which may have it for a short period of time. As far as I am concerned, I would like to merely make reference to my own discussions of the economics involved, which I have had with you in the past, and go on to say that I would like to consider this fee question in the perspective of its contribution to the common objectives which I outlined a moment ago, upon which we all agree. That is the wise management of the land itself as a resource.

If that is valid, then we immediately will have to discard, and I am perfectly willing to discard, the idea that the amount of money which we take in ought to be the sole source of the revenue for the improvement of the land. In other words, that we ought to put as much money on the land as we can collect for it, because I do think the government has a far broader obligation than that, and I think all of you think so.

We have a responsibility for the land as land, and if it had no use, we ought to do some improvement on it. We ought to leave it in better shape than we found it. So what is the matter of fees in this? It seems to me that the relevance of fees to getting the appropriate kind of money for the improvement of the land is not how much money is involved, but rather the reputation or the atmosphere which you in the livestock industry and all of us in the West can present to those people who must deal with this question on
the part of both the Executive and the Legislative branches.

In other words, it seems to me that fees have a relevance and a relativity to our question of improvement of the land if we will deal with the dynamics of the thing. In other words, if we can show to the Congress and to the Executive Branch that we are recognizing these countervailing forces, these opposing forces, and that we are mutually trying to do something about it and that we are moving in the direction of some equalization of the amount charged or some approach to the general level of competitive pricing. Not to get there but to move toward it. Then I think that we are in a far better situation to go to the Congress and to get the giving appropriate sympathetic assistance for getting the kind of attention to the land which the land as land deserves.

This isn't a problem peculiar or specific to land management or to the livestock industry. Everything I have said is exactly applicable to our problems in recreational use of those facilities which the Government may have money in for one reason or another. For example, a big Reclamation reservoir. When we open the Grand Canyon dam or when the start to fill it in two months, people are going to descend by the hundreds and thousands to that area for recreational use of it.

It seems to me that we are going to be able to get the Congress to recognize a Federal responsibility to build some kind of facilities so that they can safely and happily use
this resource, only if we get the users involved with it. That is exactly your problem. In other words, only if we get a kind of cooperative effort so that people are willing to take part in this financial end of it. You might bear in mind in this connection, that many of the things that you have to do to the land are of a capital nature which the individual operator can't afford to do, but which, if the individual operator commits himself to keep up, so that the Congress doesn't face year after year an ever growing expense on it, Congress will be happier about the initial capital expenditure. That is the Government's side of it.

Now your side of it. It seems to me in the matter of fees that you would have two approaches or two points of view. One is that any particular amount, let's say 19¢, is all the forage is worth. The second is that whatever the forage may be worth, the livestock industry is in such a shape that no operator can afford to pay more. In other words that is all he can afford to pay.

Let me say, talking from your side of the point, that as to the first question, as to the inquiry as to whether or not the forage is worth any more than that, you have to ask yourself whether you can justify asking the Government to continue to permit its use at a loss. In other words, if you accept the proposition that we are spending more on it than we are taking from it, then you have to ask, "Is there a point at which the Government should say 'get out of it.'?" That
is just a question to ask to put it in its proper perspective.

As to the second question, as to whether you can afford to pay any more, it seems to me you ought to ask is "Where does the cost of forage that you paying for, fit into the total cost of your operation?" In other words, what part of the total expense of doing business is the cost of Federal forage at 19¢ an AUM?

It may be, it seems to me, that we are talking about quite an insignificant aspect of your total expense operation and if we are, then you may be willing to resign yourself to the dynamic approach, the idea that we ought to start moving upward even if it is a little painful, in the interest of getting a better climate for participation by the Federal Government in the work which the land itself deserves.

As George said, as he spoke, you ought to keep your feet on the ground here and not be blinded by the glitter of the free-flowing silver dollars. I will add one other piece of advice and that is don't get captivated by your own rhetoric about the cost of doing business, particularly as to the forage.

In that connection, let me tell you about an experience I had on an Indian Reservation once.

The charge was made that the Bureau of Indian Affairs was starving the Indians up in my own State of Idaho. I went up there to see if that was so and talked to them about it. I
found that the biggest, fattest Indian I have ever seen in my life, at least 350 or 400 pounds, got up and said with tears in his eyes, "If it hadn't been for these wonderful people in St. Anthony coming down with this food during the winter, I would have died of starvation." He could have lived three winters on what he had without anything at all. He was caught up in his own rhetoric.

Let's bring it down to date. This has been a little rambling. Let's bring it down to the current situation to put this matter of fees and your consideration today in its proper perspective. Almost a year ago, last February at Albuquerque, I made a suggestion that the industry undertake to consider some of these factors which Government faced on the matter of fees, a lot of the things I have talked to you about today.

Out of that New Mexico meeting there came an eight-member special committee. This special committee held meetings in Salt Lake City on April 18 and 19. They held another meeting in Denver, which I attended, on September 20 and 21. In the interim time there have been meetings of the State and District Advisory Boards, all conducted under the auspices of the board members. So far as I know the Department of the Interior furnished assistance, advice, service and encouragement, but I do not think that these meetings were dominated, dictated to or in any improper way influenced by the Government's
representatives. We wanted the grazing committee to go over this matter and come to its conclusions as to what ought to be done, what might be done.

I want to commend here publicly, as I have heretofore commended privately in my reports to chairmen of congressional committees and to my Secretary and to officials of the Bureau of the Budget, the fine work of these dedicated people on this committee in the meetings which they held. It seems to me that this committee gives us the lesson of perspective which we need. Because the lessons at least that I got out of my participation in what meetings I went to, were not the economic questions as to the dollars and cents but these, and let me list them:

These men were concerned, as all of you are concerned, with what ought we, that is the industry and Government, to do together to improve the lands. To put it in another way, what could the council and the members of the industry do to help Government get the necessary support, if you will, to get the land improved? How can we get--was the inquiry at these meetings--the best cooperation at the local level between those people on the Government's side and those people on the operation side?

Floyd Lee gave me the most valuable lesson I have had since I have been in the Department when he told me one time at the last meeting in Denver of a lesson out of the
old CCC administration when he said "It would be better if you don't get the money at all for capital improvements unless when you put them in you are prepared to know how they are going to be kept up."

To put it another way, if you can't have an involvement of those people who will be benefited by those improvements so that these people will take the responsibility of keeping the dams in repair, keeping these things going, they will fall to pieces and more damage will be done than would have happened if you hadn't built it at all.

I also got out of these meetings a lesson in patriotism because these people were concerned not only with their own economic day to day progress, they were concerned with the contribution which this industry could make to the needs of the United States for protein in these times in which we are living. They brought out, as I mentioned a moment ago, the very great importance of this kind of food. Naturally they were effective representatives of the industry which selected them. Naturally they were concerned about the economic impact of an increase upon the individual operator. Naturally they recognized that there are marginal operators and any kind of an increase might drive some of them out, and naturally they tried to work this thing out so there would be a minimum of this kind of impact. But the principal attention
which this committee gave to the matter of fees was not to the dollars and cents but to this common objective we have, the improvement of the land.

This seems to me, therefore, an important meeting because it is the culmination or the last phase at least of a very interesting experiment in industry-government cooperation. I say experiment, perhaps I shouldn't because the framers of this very wise Act which we have here contemplated industry-government cooperation. But when we put off any action on fees in 1962 and when we said to the industry "Let's get together and roll up our sleeves and see how we are going to work this out for our mutual benefit" when we did that, we started down the road of the only kind of cooperation which seems to me is going to improve the land. That is the cooperation of the users on the one hand and the Government people on the other hand.

Where are you today? You have got fees on your agenda. The Western Livestock Journal had this full page ad, "No increase in grazing fees" going on to say "were recommended by the special committee of the National Advisory Council" and as the Director has said, there is going to be a discussion of this this afternoon. Then there is a reference to perhaps some congressional hearings.

All of the public airing that we can have on this that you want to have, is all to the good. I have certainly
never any inclination to cut off any public debate of anything this important. But I think that every one of you feels that the real important thing is not whether the fee is this number of cents or that number of cents, but whether or not we are mutually working toward our common objective of the improvement of the land for all of the values which we have mentioned.

These are very important problems and they deserve every bit of attention which you, as members of this council, can give it in these deliberations and in other deliberations. So as you go into this matter, I hope you will leave enough time for what I consider the constructive approach, which your grazing committee met.

One final word about the hearings. I have never seen the time, and I hope I never do see the time, when I take any step to keep Congress or any committee thereof from making any inquiry that it wants about any phase of any operation in which I am involved. If Senator Bible of the Public Lands Subcommittee on the Senate side, or my own Congress Post of the Public Lands Committee, at least until next January, on the House side under Chairman Aspinall, want to have hearings on this or any other subject, I want to encourage it and I want to participate. I think it is well for me to tell you that I would like to be able to tell them, if I get the opportunity, about all of these forces which are
at work on the matter of fees.

I think we can use our time better than to just sort of set our heels and say "No more." I think it would be far better for us to work in the Government climate which we have to recognize these forces which I have outlined to you, and see what we can mutually agree upon as a dynamic approach to get to work on the really important thing, and that is to see that this land is properly managed.

Thank you. (Applause.)

CHAIRMAN HUGHES: Thank you very much, Secretary Carver. I again want to urge upon council members, the old and the new, that we accept John Carver as a man who cares for us and is vitally interested in our problems and who will treat it in a reasonable manner, and that we give every consideration to the arguments and reasons why we should settle with the Department here and wash our own linen rather than throw the matter into politics.

DIRECTOR LANDSTROM: The agenda calls for a few remarks from myself as Director. I want to announce the presence of Chairman Aspinall. It is a pleasure to have him here. He was here yesterday and addressed our State Directors' conference on the question of Congressional Relationship with Administrative Agencies.

(Receipt of communications from Senators and Congressmen announced by the Director.)