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1968



UNIVERSITY OF NEW HAMPSHIRE
DURHAM, NEW HAMPSHIRE

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JUNE 17, 18, 19, 1968

FOREST RESOURCES OF NEW ENGLAND--THEIR POTENTIAL
CONTRIBUTION TO THE ECONOMY OF THE RURAL SECTOR

Paper Given at New England Agricultural Economics Council

Meeting, Durham, N. H. June 19, 1968

by

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There is a good quantity of statistical information available on New England's forests. I will not quote much of it here. But you should expect more than statistics from me, a working forester for most of his life. The least expected would be my impressions of how the lives of the people and the trees in New England are, and are likely to be, intertwined.

A basic inventory figure (from the U.S.D.A. 1958 publication, "Resources for America's Future", Forest Resources Report No. 14, 713pp.) indicates a wealth of forest land. In New England, 76 percent of the total land area is classified as commercial forest, whereas the average for the U. S., including coastal Alaska, is 25 percent. From the timber standpoint, if it were cared for and developed for wood raw material production, my opinion is that we would have adequate acreages for timber and related resources in the future. But the truth is that the lands have been exploited, rather than managed for a high level of wood production in both quantity and quality. A bit of past history is useful in this understanding of where we are today and of the prospects for future days.

Those of you who have the opportunity should visit the Harvard Forest headquarters in Petersham in north central Massachusetts. In this building there are a series of dioramas--miniature modeled scenes depicting one after another the stages of forest land use history in central New England. At one time the wooded hills were farmed in Vermont, to the very hilltops. However, with farm abandonment resulting from the War Between the States, the growth of the city industries, particularly textiles, and the expansion of opportunities in the West, the country reverted to forest. This was largely wonderful pine second growth in the early 1900's with volumes per acre often greater than the original or virgin stands themselves. However, with successive cuttings and uncontrolled fire, we now have the lower quality and immature stands we see today. Some of the land is classified as "Commercial" but this suggests wishful thinking, as it is applied to some of the most abused acreage imaginable. What grows on much of New England's acreage today is more a testimony to nature's power of recovery than to any planning on man's part.

I remember over twenty years ago I worked as woodlands manager for a veneer company situated on the Canadian border in Vermont. At this late date, I roamed as far afield as Dolgeville, New York for basswood logs, and the supply of the main staple of production, which was yellow birch, come mostly from pockets of timber in Quebec and from a New Hampshire area over 100 miles distant. Already then, we were almost completely in a young timber economy.

During World War II, the government needed pine for box boards and in what amounted to a subsidized operation the boxboard industry virtually finished off the white pine stands of central and southern New England, with the land largely left to fend for itself. It is interesting to note that out of over 30 million acres of so-called commercial forest land in New England only about 160,000 are in plantation.

Which brings me to the question: how important is the timber, or raw material for wood industry portion going to be to the rural sector economy in New England? The answer is, still significant, at least in northern New England. This is New England's pulp center. Here there exist large stretches of spruce, balsam fir and young hardwoods and the center of the 8 million acres in industrial ownership. The species are inherently (or anatomically) the better pulping species and there is an established industry using a raw material that does not have to be of a large size in tree form. There is a surprisingly good growth rate and, unless land and timber taxation becomes confiscatory, the required basis for long-term management of forest land for tree production. As an example of the economic impact of such a forest industry, New Hampshire's wood-using industry employs 13 percent of all workers engaged in manufacturing. This is one of the most highly industrialized states in the Union. In short, I am optimistic about the pulp industry of northern New England in the face of southern and foreign competition.

I also remember when I lived in the little mill town on the Canadian border, the descendants of the English stock had largely left the land, with those remaining working in the veneer mill or in service occupations to make ends meet. The farms themselves were being run by French Canadians who had arrived on the scene somewhat later in time and through family group effort were managing to keep some of the land from reverting to forest. It is my impression over the years that this farm based self-employed male population spends about 30 days a year, on the average, in logging operations contributing pulpwood from their lands or neighboring lands to the paper mills. However, today only 7 percent of the people in New England are farmers. Their farms include 20 percent of the commercial forest land. As to the conventional lumber market, I am of the opinion that New England has "had" it, so to speak. Sawmills have disappeared from the scene faster than silver dollars from the west. There is good reason for this. The size of the available softwoods-- pine, hemlock and spruce--has become smaller with the years. Lumber quality is a function of tree size. So is logging and manufacturing cost. The eastern mills are therefore manufacturing lower grade lumber at higher cost. At present, western mills which supply species similar in milling characteristics to our own dominate eastern markets. They alone can give the building industry the select and better common grades expected and desired by the building trade. They can, through this ace card, apply marketing pressure and move their lower quality wood eastward as well. This was brought home forcibly to me recently when I saw stud material--2 x 4 inch by 8 foot material-- from a Montana mill at a local retail yard. These studs came from timber stands I had cruised or inventoried for this mill in Montana. Although in theory there is no reason why eastern stands couldn't produce material 2 x 4 inches and 8 feet long, I know that this particular western mill can bring a stud to the Atlantic Ocean at less cost than it would cost a local mill to produce it. It is largely a question of raw material in quantity and tree size per acre for lowered manufacturing cost.

There will be new markets developing--veneer, composition boards, imaginative new items such as finished "antique" boards for summer home construction, dimension in hardwood lumber, but with manufacturers of substitute materials still imaginative, I doubt if the lumber market will grow. On a per capita basis, this means a continued fading or falling off in lumber consumption.

Before leaving conventional forest products, I should mention a newer industry that is being pioneered by relatively few--the cultivated Christmas tree, or quality Christmas tree market. For a rural economy, this product can be important, particularly since substitutes are not affecting the demand for, and saleability of, a quality natural tree. Income statistics are somewhat suspect but the people in the trade are the source of the figure of one and a half million dollars gross income for a year in one northern New Hampshire county alone. The trees grown are Scots pine, balsam fir and Frazier fir in the main.

In summary, as to the wood raw material aspects of New England's forests, the problem is more of size and quality than acreage. A recent overall survey of the Seacoast area of southeastern New Hampshire and southwestern Maine indicates that in this area, which is becoming part of "megalopolis", less than 30 percent of the commercial forest land can be counted upon to be in long-term raw material production. Yet this is not of social concern to me. It is important that a tax climate exists for raw material production on lands suited for this purpose in the hinterlands, and that megalopolis itself develops land taxing procedure so that green belts, a few farms and meadows can remain.

Foresters and agricultural economists along with almost everyone are involved in recreation. Forests and farms provide a setting and the environment for outdoor recreation. Some years ago, New England was involved in a summer resort type of recreation. Now with the fall foliage season and the ski season, there is only a brief time in late winter and early spring when the recreational visitor turns the country back to the native as time in which the native can catch his breath. Although many recreational industries bring in their own staffs and do not rely on the local population, there is no question as to the benefits of recreational industry to the rural sector. The amount of added value is a subject of continuing study and debate. A New Hampshire study indicates that the travel service business added almost 34 million dollars payroll in this state by 1963 so it had grown to a third of the wood-using industry payroll by that date. To me, a frequent visitor to our north country, the physical improvement in new ski areas, motels and camping areas is impressive. In sheer numbers out-of-state visitors have taken over New Hampshire in the summer. Driving south for forty miles of New Hampshire's Route 16 on a summer Friday night, I noted that only one out of 18 cars that passed heading north had a New Hampshire plate. The growth trend in recreation is likely to continue, and that realization is changing land use policies both public and private. It's also changing what is being done in the way of cutting on private lands. Much private land is now in absentee ownership that wants it preserved, not cut. Recreationists want physical improvements, even on the camping level, and capital to do these things is needed more than space at present. Meanwhile, the native population and the outsiders already there, view the future with mixed feeling.

In Coos County I suspect opinion is equally divided between those who want some new industry so as to keep the youngsters in Coos and those who want to keep the status quo and keep the area rustic. The governmental agencies are trying to promote new industry and at the same time wondering how much of an effect industry has on the very remoteness and naturalness that is the charm of the north country.

Another form of recreationist is the hunter and fisherman. The sportsman is in growing ill repute in parts of New England which suddenly realize that dense populations makes hunting a more dangerous pastime. Also, I sense the growth of a large number of people who would just as soon live and let live and moreover are saying something to this effect. But whether game is looked upon as an integral part of the scene and enjoyed for its own sake or as a crop in hunting and fishing, it is apparent that it is part of forest recreation.

There have been some studies of the financial contributions of the hunter and fisherman to the rural economy. Expenditures are largely in gasoline, sporting goods, and some point out, alcoholic beverages. Some of these expenditures are made at the local level. The rural sector is going to benefit from this as irate housewives in megalopolis will drive the hunter into the hinterlands to hunt deer and each other at times when foresters seek the shelter of the office and catch up on reports, maps and financial statements.

Water from the forests is a substance that may not be in such critical overall supply as in New England in the West, where it is conservatively much more important than any other forest commodity. However, the quality of that water very much affects living in all of New England, and the recreational aspects particularly in the back country. About one half of the water that falls as rain and snow finds its way into the streams. It is the quality of that water and how it is metered into the streams during the year that is of greatest importance. This is about as specific a statement that can be made at this point and brings me to a concluding statement on the greatest needs in forestry in relation to the rural economy. These points involve people and planning, rather than techniques. We could achieve a great deal if we could apply what we already know how to do on the technical level. These needs are forestry needs because they are social needs. We need:

1. Continuing recognition, education and understanding of the unique requirements of forests when they are taxed. Because of the long span of time between investment and return, they do need special consideration. This is particularly true in an area such as New England where the forests are in poor condition and need to be built up.
2. Greater coordination of agencies and groups concerned with recreational planning. The planning and leadership should be on the state level and the citizenry should work to make its own state organizations stronger.
3. An emphasis on good planning while there is still time to accomplish something with the green space available. We need town planning on the town level, and state planning on the state level. Some green space will undoubtedly be in public ownership, but conservation leaders and people in New Hampshire

generally are increasingly interested in workable open space taxation legislation that will allow some people to keep pastures, meadows, fields and marginal farms in tact.

4. A crash program to reduce water pollution, including in this case federal subsidies to aid established industries.

5. State programs to gain public access to public waters.

6. Better planning and advice as to what forest lands will be used for forest production. There will be less acreage available for commercial timber production in the future. It is not too early to select those lands and concentrate on making them more productive. We could get the same production from one third the forest acreage or less if economies made it necessary for us to apply what we now know now to do.