

Chapter 23 : Forests Forever



“We have to act now...Less than five percent of the original old growth forest remains, and a lot of wildlife and plant species are going to extinction in the next five years if they don't get this protection. We can't wait. The forest destruction here is just as bad as in the Amazon rain forest. But we don't have as much forest left as they do. This is our last chance to save what's left.”¹

— The Man Who Walks in the Woods.

“While current law calls for protection of the environment and the sustained yield of high quality timber products, it frustrates any attempt to actually achieve these goals.

Under current law, actual forest practice rules are written by a state board of forestry completely dominated by timber industry representatives. And administration of the law is left exclusively to the California Department of Forestry, an agency that one local judge has called a ‘rubber stamp’ for logging companies. The current rules that regulate logging practices would not protect the resource even if they were enforced. And they are not being enforced. CDF has systematically prevented other state agencies from playing a role in reviewing timber harvest plans submitted under the act.”²

—Richard Johnson, *Mendocino Country Environmentalist*.

¹ “Forest Protectors Take the Initiative”, by Richard Johnson, *Mendocino Country Environmentalists*, November 1, 1989.

² Johnson, November 1, 1989, op. cit.

At the same time the “Laytonville Lorax War” was taking place, the continuing legal battles against Maxxam raged on. Woody and Warren Murphy as well as Suzanne Murphy-Civian, represented by their friend Bill Bertain, sued Maxxam and Charles Hurwitz yet again, this time alleging that Drexel Burnham Lambert (DBL) working through Ivan Boesky had engaged in illegal stock parking. According to the suit, prior to Hurwitz’s tender offer to the P-L board of directors in October 1985, Boesky effectively owned as much as 10 percent of the company’s stock, thus violating the Hart-Scott-Rodino act of 1984. This information had not been revealed until findings by the SEC were made public in 1988. Had the shareholders known about this, they would have had a stronger case against the merger originally. The Murphys’ suit demanded \$18 million in damages to all of the shareholders who owned stock prior to the sale, charging that had the directors known of Boesky’s and DBL’s activity, they would have valued the company’s stock at roughly \$70 per share instead of the \$40 finally offered by Hurwitz.³

Meanwhile, having been rebuffed by the NLRB, and having lost the support of a great many formerly enthusiastic employees, Patrick Shannon chose to take a different route to try and realize what many had concluded was a pipedream. The ESOP organizer now proposed that a initiative be placed on ballot for November 1990 that would seize ownership of Pacific Lumber from Maxxam and place it in the hands of the company’s workers. The measure, tentatively called the *Timber Bond Act*, would raise \$940 in bonds and pay Maxxam for the purchase of the firm. It also called for the setting aside of 3,700 acres of old growth redwoods including Headwaters Forest. Under the plan, the employees would recompense the taxpayers of California by repaying the bonds at 9 percent interest. The measure allowed 40 years to complete that process, but Shannon estimated that this would require a total of 15 years at most. After that, should the purchase be paid in full, additional moneys raised would be deposited into a revolving account from which other potential ESOP campaigns could seek loans.⁴

As was expected, Corporate Timber did not respond favorably to Patrick Shannon’s effort. Pacific Lumber spokespeople framed the initiative as a back-door attempt at “Communism”, knowing full well

that such efforts would have little support in the dying days of the Soviet Union and the latter’s waning political influence over Eastern Europe. David Galitz said bluntly, “It’s totally inappropriate in any democratic society to ask the government to force somebody out of business. We’ve done nothing unlawful,” which of course, was purely a matter of opinion.⁵ Nobody was proposing that either Pacific Lumber or Maxxam be “forced out of business.”

The local Corporate Press was equally derogatory in its denunciation. The *Eureka Times-Standard* called it “pure fantasy” and further opined,

“Such a plan might make a lot of sense if P-L really were about to cut the last old growth redwood tree in the world, but that is not the case... The state has no business using its legal authority to intrude in the affairs of a private firm legally engaged in its operations. If Shannon gets away with his plan for a takeover of P-L with the state as the middle man, than any company becomes fair game—and the state’s taxpayers will be in deep trouble.”⁶

The *Humboldt Beacon and Fortuna Advance* was even more blatant, resorting to old fashioned red baiting to denounce the measure, declaring:

“The proposal certainly is not a solution because there isn’t a problem, except for the disgruntled ESOP few who failed in their vain attempt to gather support for a worker buy out (sic) of PALCO...”

“The idiotic initiative proposal is the one the old guard in Moscow may be able to relate to, but not Americans who pride themselves on individual initiative and free enterprise. In a democratic society, one that is exporting its democratic ideals to socialist countries mired in the shallowness of socialism, it is outlandish to consider having the government purchase a private business...”

“Look again. Look at Poland, East Germany—where thousands have fled from in recent weeks, the Slavic states, etc., etc., etc.

“The true Goliath is government power used in an unjust manner; a manner that stifles

³ “Ex-Owners Sue Over P-L Sale”, *Eureka Times-Standard*, September 7, 1989.

⁴ “Shannon Wants Initiative to Seize P-L from Maxxam”, by Mark Rathjen, *Eureka Times-Standard*, September 6, 1989.

⁵ Rathjen, September 6, 1989, op. cit.

⁶ “PL Takeover Plan No Statewide Issue”, *Eureka Times-Standard*, September 12, 1989.

the individual, where private initiative is not rewarded but penalized.”⁷

This was, of course, a complete mischaracterization of the proposal—and it was once again a verbatim regurgitation of P-L management’s spin on the most recent attempt at populist reform. For instance, John Campbell declared:

“If you look at current events and history, I think Mr. Shannon is from the wrong era. If you take a good look at what is happening in Eastern Europe today, you can see people don’t want an enormous government. They want freedom—freedom to travel, freedom to move about freely. To have the government come in and take over private property is at least 40 years out of step.”⁸

Nowhere had Shannon, an avid capitalist himself, proposed anything remotely resembling *actual* socialism, let alone the discredited political dead end of Stalinism. Naturally, both Campbell and Simmons omitted the past precedent of the Tennessee Valley Authority and other specifically *American* intervention by the state on behalf of the public or a small group of them under the concept of Eminent Domain. Shannon countered:

“The right of eminent domain is the right of the people, outlined in the Constitution, to assert dominion over any land or property on account of emergency and for the public good. The people have the sovereign right to exercise eminent domain when there is a need to correct an injustice or an abuse.”⁹

Such abuses included the countless examples of deals between the USFS and Corporate Timber for THPs on public lands, a form of *state intervention* of the highest degree. Apparently it was only “socialism” if it didn’t benefit the bottom line of the employing class.

However, Campbell and his ministers of propaganda had gambled correctly that both Shannon’s unpopularity and the emerging consensus de-

claring the “decline” of “communism” and the “end of history” would be effective. Shannon’s proposal had little support among the P-L workers, including many of the one-time ESOP supporters, who had lost faith in Shannon since he had proposed a “partnership” with Maxxam and Hurwitz in April. His sudden second apparent reversal could only serve to reinforce the notion that Shannon was an opportunistic snake oil salesman who could not be trusted with their futures. Furthermore Shannon’s disdain for unions translated into a lack of experience in communicating with the workers, even those likely to be sympathetic to such a measure. As a result, he had no support for the ballot initiative among the P-L employees and Maxxam used that to their advantage.¹⁰

Indeed, Shannon’s poorly organized and quite desperate “Hail Mary” pass opened up the door for TEAM, who had been losing support since the ESOP campaign, to regain prominence among the P-L workers. TEAM supporter Michael J Eglin opportunistically manipulated the bitterness over Shannon’s ESOP failure into opposition to the *Timber Bond Act*, which culminated in a full page advertisement in the Eureka Times Standard, signed by 900 P-L employees (which was a far greater number than the 350 that had signed the November 17, 1985 ad opposing Hurwitz, and included several dozen of the signers of the original ad).¹¹ Supporters of Eglin’s effort initiated a barrage of letters to the editor repeating the standard Corporate Timber talking points, including the hackneyed shifting of the blame to “unwashed-out-of-town-jobless-hippies-on-drugs.”¹² This was to be expected, of course, but it actually greatly reduced the potential for other efforts, such as an IWW organizing drive, to take root among the P-L workers. Furthermore, it allowed Campbell—using TEAM as a front group—to conflate Shannon’s well intentioned, but poorly planned measure with other, better conceived efforts.

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⁷ “Over the Edge: Initiative Proposal is No Solution”, editorial by Glenn Simmons, *Humboldt Beacon and Fortuna Advance*, September 14, 1989.

⁸ “PALCO President Attacks Initiatives”, by Glenn Simmons, *Humboldt Beacon and Fortuna Advance*, December 7, 1989.

⁹ “Expropriate Pacific Lumber”, letter to the editor by Patrick Shannon, *EcoNews*, November 1989.

¹⁰ “Timber Wars: Footloose Wobs Urgently Needed”, by Judi Bari, *Industrial Worker*, October 1989 and “Earth First! in Northern California: An Interview with Judi Bari” by Douglas Bevington, reprinted in *The Struggle for Ecological Democracy: Environmental Justice Movements in the United States*, edited by Daniel Faber, New York, NY and London, Guilford Press, 1998

¹¹ “P-L Employees Get no Response”, letter to the editor by Michael J. Eglin, *Eureka Times-Standard*, February 25, 1990.

¹² “Shannon Must Look Elsewhere”, letter to the editor by Dave Shamblin, *Eureka Times-Standard*, February 25, 1990.

One such effort was the Forest and Wildlife Protection and Bond Act of 1990, which would soon become to be widely known as *Forests Forever*. That effort had resulted directly from what environmentalists perceived to be L-P's and G-P's abusive treatment of Mendocino County and Maxxam's treatment of Humboldt County. In September 1989, a coalition of local activists from Mendocino and Humboldt Counties, including EPIC, the Save the Redwoods League, the Sierra Club, and others drafted the initiative and submitted it to the office of the California State Attorney General in mid October. If passed by the voters, the initiative would reform state forestry law for the first time since the Z'Berg Nejedly Forest Practice Act was enacted in 1973.

The original Forest Practices Act had once been considered the strongest piece of forestry legislation in existence, but now, according to one *Forests Forever's* principle authors, The Man That Walks In The Woods, it was little more than a paper tiger. It was readily apparent that Z'Berg Nejedly was inadequate. According to Gail Lucas of the California Sierra Club's State Forestry Practices Commission, the measure was conceived, because no matter what the Forest Practices Act stipulated, it was never seriously enforced by those charged with the state forests' stewardship. The Board of Forestry was under the control of Corporate Timber by virtue of Corporate Timber friendly governors having appointed compliant members to this body. The CDF, under the BOF's direction, had minimized conservation in favor of economic considerations and the long term results had been continued clearcutting, and deforestation, not to mention the loss of timber jobs due to corporate profiteering.¹³

The new law would provide permanent protection for most of the state's remaining old growth forests and require sustained yield, uneven-age managed forestry on all private timberland. Clearcutting over two acres in area as well as raw-log exports would be banned, and \$742 million would be set aside for buyouts of more sensitive old growth stands, including Headwaters Forest. Specific highlights of the proposed law also included the following:

“Section 6(m) of the initiative would reconstitute the nine-member state board of forestry to include five members from the general public” one from an environmental organization, one

timber county supervisor, one timberland owner with less than 500 acres, and one from the corporate timber industry. A ninth seat could be filled by a representative of Native American or labor concerns. In addition, new restrictions would prevent conflicts of interest on the board of forestry.

“Section 4 would put severe restrictions on CDF approval on plans for the removal of timber from old growth ancient forests, of which there are only a few left in Mendocino County. If feasible mitigations of logging plans could not assure the protection of wildlife in these ancient forests, the department of fish and game would be given authority to negotiate with the landowner for the timber rights. Appropriate mitigation measures are spelled out in the law, and the owner could appeal any determination of state agencies.

“To protect workers, provisions are made in the initiative for the reemployment of loggers and millworkers laid off as a result of old growth buyouts.

“Section 6 would require that all timber harvests on private timberlands meet strict requirements designed to assure sustained yield. Clearcuts more than two acres are banned, and timber operators given three years to make a plan for maximum sustained yield on their holdings. In the meantime, some thinning and shelterwood removal would be allowed under the act.

“In 150 years, only the selective harvest of mature trees would be allowed under the new law. For redwood trees, the standard of maturity is from 90 to 120 years of age. And for Douglas fir, the standard is from 60 to 80 years of age.

“In addition, protections for lakes, streams, and watercourses are strengthened, and logging roads and decks would be more strictly regulated.

“Section 8 creates the Ancient Forest Protection Fund and authorizes \$742 million in bonds for the acquisition of old growth forests.”¹⁴

The advocates of this measure faced a challenging uphill climb. To begin with, in order to ensure that the initiative needed 600,000 voters' signatures to

¹³ “Lost in the Woods”, by Greg Goldin, *Los Angeles Weekly*, September 7, 1990.

¹⁴ Johnson, November 1, 1989, op. cit.

place it on the November 1990 ballot.¹⁵ It was not, at any time, a project of campaign proposed by Earth First!, as the radical environmental movement had no process for such endorsements, nor did a majority of Earth First!ers know about it, let alone participate in its drafting, yet Corporate Timber went to great lengths to associate it with Earth First! and others they could readily scapegoat as “unwashed-out-of-town-jobless-hippies-on-drugs” on the one hand, or “elitist-Volvo-driving-three-piece-suit-wearing-bureaucrats” on the other. There were even a few who simply dismissed the effort—indeed all forestry regulation—as “communism!”¹⁶ All three of the North Coast’s major timber corporations hired Hill & Knowlton to manage a multimillion dollar propaganda campaign against the measure.¹⁷ The city councils of various timber dependent communities were no exception.¹⁸ On March 5, 1990, the City of Fortuna voted to go on record opposing the measure. Eureka’s city council followed suit just two days later.¹⁹

John Campbell lead the challenge in Humboldt County. He promised that the opposition to Forests Forever would include not only Corporate Timber, but landowners and sawmill owners as well, and that they would “use everything at their disposal to combat the initiative, including advertising campaigns and perhaps even a counter initiative.” In an interview with the *Eureka Times-Standard*, the Pacific Lumber executive said of *Forests Forever*:

“It’s a very sweeping document (which) takes the professional management of the forest out of the hands of the foresters. The potential job loss at P-L could be as high as 800 jobs (out of 1300) the reason is that we operate three old growth sawmills that depend on the type of timber most impacted by the initiative.”²⁰

This was an incredibly dubious argument given the fact that P-L had operated for over three quarters of a

century with two of those three mills using the very sort of logging practices called for in *Forests Forever* with no apparent economic doldrums, and the third such facility—the former L-P mill in Carlotta which had been purchased six months after the Maxxam takeover could either be retooled or sold just as easily as it had been purchased. Nevertheless, it was accepted as credible, in particular by the *Humboldt Beacon and Fortuna Advance*, which further opined:

“Environmental groups have created a melodrama, wherein they distort reality. They cast, in a negative multimedia light, good companies like P-L as marauders, rapists of the awe-inspiring virgin redwood forests. It is an emotional issue, an issue that can be presented to millions of California voters in an unrealistic, melodramatic manner. It is an issue the groups can seize on to gain support, and to gain funds.”²¹

Again, the opinions expressed by the *Humboldt Beacon and Fortuna Advance* almost exactly matched those of John Campbell who declared:

“I think the environmental movement in the United States has become a big business. They have large stocks (sic), large budgets; they are highly organized, and they need a lot of funding, so they need a popular cause for people to focus on. I think it just happens to be Pacific Lumber’s turn. The redwoods are certainly majestic. They have sort of an aura about them in the United States.”²²

It seemed to be no leap of logic for Corporate Timber to excoriate their critics of being ‘socialistic’ on one hand and “too capitalistic” on the other (though Campbell offered no clue on which stock exchange shares in environmentalist organizations could be traded), and yet a good many gullible people accepted such statements with little question. The *Humboldt Beacon and Fortuna Advance* editorial then trotted out the all-too-familiar talking points, including the claim that hundreds of thousands of acres of old growth redwoods were already preserved in parks, in no small part due to the efforts of Pacific Lumber²³, which was

¹⁵ “P-L’s Old Growth May be on Ballot”, by Andy Alm, *EcoNews*, October 1989.

¹⁶ “Lumber Industry Knows its Job”, letter to the editor by Charles Anderson, *Eureka Times-Standard*, January 7, 1990.

¹⁷ “The Judi Bari Bombing Revisited: Big Timber, Public Relations, and the FBI”, by Nicholas Wilson, *Albion Monitor*, May 28, 1999.

¹⁸ “Fortuna to Lobby Against 3 Timber Initiatives”, by Ed Lion, *Eureka Times-Standard*, March 6, 1990.

¹⁹ “Eureka Council Opposes Measure Cutting Harvests”, *Eureka Times-Standard*, March 8, 1990.

²⁰ “Face-to-Face: Initiative Could Devastate Local Timber Industry”, John Campbell interviewed by the *Eureka Times-Standard*, December 28, 1989.

²¹ “Environmentalists Send Frightening Message”, editorial, *Humboldt Beacon and Fortuna Advance*, December 14, 1989.

²² “PALCO President Attacks Initiatives”, by Glenn Simmons, *Humboldt Beacon and Fortuna Advance*, December 7, 1989.

²³ Editorial, December 14, 1989, op. cit.

technically true, but no distinction was made by the editors between the company pre- and post- Maxxam—as if there was little or no significant difference. Indeed, such statements also echoed Campbell’s essentially word for word.²⁴

Louisiana-Pacific’s Shep Tucker, as was expected, lead that corporation’s propaganda campaign in opposition to the initiative, and in doing so, also spoke for WECARE. Meanwhile, in *Mendocino* County, Corporate Timber—Georgia Pacific in particular—found a ready and willing spokesperson against Forests Forever, and that was IWA Local 3-469 Union Representative Don Nelson. The union official, who had supported similar—albeit more local—measures in the past, issued a scathing attack on the new initiative, which he sent to virtually every newspaper in every community in Humboldt and Mendocino Counties in December of 1989. He warned voters not to sign the ballot petition, “unless (they) were in favor of total wilderness, isolation, and unemployment.”²⁵

Eric Swanson, a 52-year-old mechanical engineer and Forests Forever supporter quickly countered Nelson. Swanson suggested that the embattled union official was either incapable of understanding the initiative or had not bothered to actually read it, stating:

²⁴ Simmons, December 7, 1989, op. cit. Much of the Corporate Timber opposition to both *Forests Forever* and the *Timber Bond Act* was reflexive. For example, John Campbell publically admitted, as late as November 30, 1989, that Pacific Lumber had not reviewed either measure closely, adding, “We at Pacific Lumber do not think it is correct to turn over the entire system outside of the legislative process,” in Simmons, December 7, 1989, op. cit; If Campbell preferred the legislative process he wasn’t enthusiastically singing the praises of it when Democratic Congressman Fortney “Pete” Stark introduced a bill to designate Headwaters Forest as a federally protected “wild and scenic” study area. In announcing his bill, Stark declared, “This legislation is intended to stop any logging [in Headwaters] until we can determine if this outstanding area should be preserved.” P-L spokeswoman Mary Bullwinkel declared that the measure represented a “taking” of private property and added, “It also takes with it the jobs that go with private property,” to which Stark rebutted, “P-L doesn’t care about the redwoods, the land, or people’s jobs. They only care about paying interest on junk bonds.” Stark’s fellow representative, Doug Bosco, was equally disdainful of the measure, declaring, “If the people in my district decide they want that area designated as wild and scenic, I’ll do it. I don’t appreciate another member sponsoring legislation for my district.” Bosco might have wanted to clarify exactly which people in his district he meant, because both Robert Sutherland and Darryl Cherney, who lived in his district, welcomed Stark’s proposal, but as critics of Maxxam, evidently they were nonpersons, as detailed in “PL Land Target of Late Bill: Headwaters Forest Study Angers Bosco,” From staff and Washington Bureau reports, *Eureka Times-Standard*, November 22, 1989.

²⁵ Letter to the editor, by Don Nelson, *Anderson Valley Advertiser*, December 6, 1989 (“Don Nelson Says No”), *Mendocino Commentary*, December 14, 1989, *Mendocino Beacon*, January 4, 1990 (“Read it Completely”), and *Eureka Times-Standard*, January 7, 1990 (“Forest Measure Would be Disaster for the North Coast”).

“This Initiative will protect some of the remaining prime old-growth wildlife habitat left on private lands. Reliable estimates put the total Amount of old-growth remaining on private lands in California at about 450,000 acres. CDF’s Forest and Rangeland Resources Assessment Program (FRRAP) lists the statewide productive forest land base at 16,531,000 acres. Thus, even if all the privately held old-growth in the state was purchased by this act the productive land base would be reduced by only 2.7 percent Since only a fraction of the total old-growth could be purchased by this Act, the actual impact will be substantially less than 2.7 percent. This is hardly ‘total wilderness’.”²⁶

Nelson had also echoed the Corporate Timber talking points predicting economic apocalypse:

“This Act would only allow logging of ‘mature forests’ which were covered by a ‘sustainable forestry program’ which each owner of timberland would be required to have filed on his lands within 6 years of this act even if the timber were too small to harvest! It would require land owners to harvest less than their potential growth and it would not allow them to encourage faster growth on their timberlands. It makes the planting of young trees difficult if not impossible because it bans brush burning, a common practice and one that is part of the nature’s process of redwood forest regeneration. A mature forest would be at least 120 years old. Only then could logging occur. Since most of California private timber stands are less than 60 years old, it would cause at least 60 years of unemployment for the loggers and mill workers in California today.

“The section on worker’s protection provides that for certifiable job losses caused by the acquisition of timberlands under this Act there would be compensation for employees identified by the employer as affected but only if the employer agrees to rehire those employees when their position becomes reavailable! It does nothing for those unemployed because of the harvesting restrictions in the Act.

²⁶ Letter to the editor, by Eric Swanson, *Anderson Valley Advertiser*, December 27, 1989 (“Sustained Yield and Don Nelson’s Credibility”), *Ukiah Daily Journal*, December 28, 1989 (“Assertions are Ridiculous”), and *Mendocino Beacon*, January 4, 1990 (“Disagrees With IWA’s Don Nelson”).

“No employer laying a worker off due to this Act could guarantee to rehire that employee because there would be no jobs available in the employees’ lifetime in the lumber industry.”

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Swanson’s response to Nelson stated:

“This Initiative mandates sustained yield, something Don has advocated for years. Simply put, we won’t be able to cut more than we grow. Don’s allegation that the Initiative would result in 60 years of unemployment is absurd. The Initiative does require the sustainable harvest of mature trees (that is, trees which have reached their peak lumber production) by the year 2140. That’s 150 years from now! Even more time would be allowed for poor growing sites. The Initiative specifically states that periodic harvests are to continue throughout this period. As the lands are restored to maximum productivity the harvest will steadily increase.

“According to FRRAP, the projected growth in California for the 1990-2000 time frame is 3,667,211 MBF per year. The projected harvest for the same period is 3,992,569 MBF. Thus, if we reduced the harvest by 6.5 percent statewide, we would achieve sustained yield. That hardly sounds like 60 years of unemployment.”²⁸

It was obvious in any case that the *actual* reason for the widespread timber industry opposition to *Forests Forever* had little to do with potential job losses, because the industry had already, through their own profit-oriented practices, downsized the workforce significantly since the passage of Z’Berg Nejedly. The *real* danger to Corporate Timber was that the initiative would undermine their economic and political stranglehold on California’s forests. The “Timber Wars” were already running hot. Now they were likely to explode.

²⁷ Don Nelson, December 6, 1989, op. cit.

²⁸ Swanson, December 27, 1989, op. cit.