

**Let me begin by asking how many of you have ever heard of the infamous Pig War of 1859?**

**Well, in a little bit I will tell you all about it, and why it is relevant to this conversation, but first, let me begin with another story.**

**Two hunters are out hunting in northern Minnesota – in fact, not too far from where we are right now.**

**As they are walking along they come upon a huge hole in the ground. They approach it and are amazed by the size of it.**

**The first hunter says "Wow, that's some hole, I can't even see the bottom, I wonder how deep it is?"**

**The second hunter says "I don't know, let's throw something down and listen and see how long it takes to hit bottom."**

**So the first hunter says "There's an old transmission here, give me a hand and we'll throw it in and see".**

**So they pick it up and carry it over, and count one, and two and three, and throw it in the hole. They are standing there listening and looking over the edge when they hear a rustling in the brush behind them. As they turn around they see a goat come crashing through the brush, run up to the hole with no hesitation, and jump in headfirst.**

**While they are standing there looking at each other, looking in the hole, and trying to figure out what that was all about, an old farmer walks up. "Say there", says the farmer, "you fellers didn't happen to see a goat around here anywhere, did you?"**

**And the first hunter says "Funny you should ask. We were just standing here a minute ago and a goat came running out of the bushes doin' about a hundred miles an hour and jumped headfirst into this hole!"**

**And the old farmer said "That's impossible, I had him chained to an old transmission."**

**Now wait a minute, this isn't just for fun. There is a moral to all this. You see sometimes, sometimes, especially if you are in the business of**

managing trust lands, you just can't help feeling a little bit like the goat.

Think about it:

State trust lands are publicly owned and managed, but as you know they are not "public lands" in the sense that most Americans are accustomed to thinking of national parks and forests. Instead they are managed for clearly specified beneficiaries, principally the common schools.

And it is the trust manager's obligation to make the trust productive and to act with undivided loyalty to the beneficiary. And it is this same obligation that at times has led to some considerable dismay, especially among those for whom making a profit on public lands seems almost a contradiction in terms.

Look at the challenges Oregon has in trying to generate revenue from timbering while also managing for marbled murrelets and spotted owls. Or in North Dakota, where they are trying to manage for revenue on lands that contain some of the major remaining unplowed areas of native prairie anywhere in the country. Or in Washington

**State where trust lands make up nearly half the old growth on the Olympic Peninsula.**

**These are incredibly complicated hands to play, and having worked with many of you or your predecessors, I know that solutions often can be hard to come by.**

**But, for over 30 years The Conservation Fund has helped many of you navigate these tricky waters, in many cases getting you out of unproductive lands that you'd rather not own and into lands that can generate revenue on behalf of your beneficiaries.**

**In just a minute I'll share with you a couple of examples in the hope that they might stimulate your thinking about how we can work together in the future.**

**You see, I believe that we are natural partners for these types of challenges. We too have a dual-purpose mission – conservation and economic development – and we too are in the business of managing land for revenue.**

**Our unique charter places us squarely at the intersection of environmental protection and economic return, and like you, we own hundreds of thousands of acres of working forest – 600,000 acres across 14 states as of today – and all of it is on the tax rolls, all of it is in production, thus keeping the local tax base and jobs intact, and ultimately, all of it will be resold back into the private market subject to strong, permanent working forest conservation easements.**

**Our goal is to cycle through 5 million acres of high conservation value forests that will be sold by the timber investment management organizations over the next 1-15 years.**

**Ours is a highly unusual role for a nonprofit, certainly at this scale, but being a large-scale owner of lands where we need to balance conservation and economic return has given us deep insight into the challenges you face and how we might help you address them.**

**So, now let's return to the infamous Pig War of 1859.**

**Thirteen years earlier, in 1846, the U.S. and Britain signed the Oregon Treaty which set a partial boundary between the territories of the two nations, including a portion that was to run south along the 49th**

**parallel between Vancouver Island occupied by the British and mainland Washington State occupied by the Americans.**

**However, when they hit the San Juan Islands, they couldn't agree on where to draw the line – the Americans wanted it off to the west so the islands would be American territory, and of course, the British wanted it to the east so they could claim these strategically important outposts.**

**Eventually, they agreed to a temporary compromise and drew the line right through the middle of San Juan Island, and for the next 13 years they bickered about where the line should be.**

**During that period, Britain's Hudson's Bay Company set up a sheep ranch on the western half of San Juan Island, while 25 American settlers set up camp on the American side.**

**Then, on the fateful day of June 15, 1859, exactly thirteen years after the adoption of the Oregon Treaty, Lyman Cutlar, an American farmer, found a large black pig rooting in his garden, and not for the first time. He was so upset, he took aim and shot the pig dead. Turns**

out, the pig was owned by an Irishman, Charles Griffin, who worked for the Hudson's Bay Company.

When British authorities threatened to arrest Cutlar, American settlers called for military protection.

The American Brigadier General stationed near Bellingham, Washington dispatched 66 soldiers under the command of Captain George Pickett (who a few years later would decide the Battle of Gettysburg during the Civil War).

The British, concerned that a squatter population of Americans would begin to occupy San Juan Island, sent three warships in response. The situation continued to escalate, and by August 10th, there were 461 American soldiers with 14 cannons squared off against five British warships with 70 cannons and 2,100 men.

The Governor of Vancouver Island ordered a British Rear Admiral to land marines and engage the Americans, but the Admiral refused, saying "Two great nations in a war over a pig is foolish!" Instead, he ordered local commanders to defend themselves if attacked, but

**absolutely to not fire the first shot. American commanders had given their troops the same orders.**

**For the next several days, the British and U. S. Soldiers exchanged insults across the line, trying to goad the other into firing the first shot. Fortunately, discipline held.**

**When news of the crisis reached Washington and London, President Buchanan stepped in and sent negotiators to meet with the British and establish a truce. They agreed to a stand down, and the joint military occupation continued for another 12 years, until in 1872 the matter was finally decided in favor of the Americans by German Emperor Wilhelm I, who served as the arbitrator.**

**Now, you have to admit, that is a great story - the last time we almost had a war with Britain - but you would be within your rights to ask, "What the hell does that have to do with State Trust Lands?"**

**Well, the Washington Department of Natural Resources owned a 320-acre parcel of Trust land adjoining San Juan Islands National Historic Park. Following its mandate to manage Trust resources for its beneficiaries, the DNR prepared to harvest the timber on the**

**property. As you might expect, that didn't go over very well with the National Park Service, history buffs and a big chunk of the local population. Opposition was swift and fierce.**

**After meeting with the DNR Commissioner, The Conservation Fund stepped in and put together an elegant solution. We purchased the property from the DNR for roughly \$4 million, then donated the property to the National Park Service to be added to the Historic Park. The DNR then added the \$4 million to the State school endowment fund to generate more money for the schools - a win for everyone involved, except of course, the pig.**

**This of course, is just a small example of how we can help you achieve your objectives – in this case trading out of land that cannot easily generate money for the schools into an asset that can – in this case cash.**

**Now, I'd like to highlight a couple of much larger examples from right here in northern Minnesota where we are working with multiple partners to exchange large blocks of unproductive land for equal value of highly productive timberland.**

**The first example is located about an hour north of here in a magical place called the Sax-Zim Bog. And for this project, I want to give credit to my colleague Steve Hobbs who had the vision and persistence to dream this up and get it done.**

**If you are a bird watcher, you definitely know of this place. Every winter Sax-Zim Bog becomes the southernmost haven for boreal species from Canada, including Snowy Owls, Northern Hawk Owls and the incredible Great Gray Owl. These attract thousands of birdwatchers from all over the world. I saw my first Great Gray Owl here a couple of years ago on the coldest day I have every been outdoors - sunny, not a lick of wind, and 40 below zero.**

**Sax-Zim Bog looks like much of northern Minnesota, with huge expanses of spruce trees interrupted by open tamarack bogs. As far as the eye can see in any direction are trees, wetlands, more trees and more wetlands.**

**Yet, for all its austere beauty, Sax-Zim Bog's vast ecological integrity was seriously damaged by a system of drainage ditches constructed over the decades by early Minnesota settlers in a futile effort to drain the bog for agriculture. The ditches have been slowly bleeding the**

**bog of the water that maintains the peatlands and its associated habitat. Once the peat dries out, it can no longer support the spruce and tamarack that are essential for the birds.**

**Minnesota's conservation agencies had identified Sax-Zim, with more than 40,000 acres of severely degraded peatlands, as a potential site for a wetlands mitigation bank. However, no mechanism for funding the restoration had ever been identified.**

**Complicating the funding challenge was the peculiar system of land ownership in northern Minnesota, where most of the land is owned by 3 entities – the School Trust, the state of Minnesota, and forest product companies.**

**In total, the School Trust owns more than 2.2 million acres across Minnesota, and the state also owns more than 900,000 acres of tax-forfeited lands in St. Louis County - more than 1.5 times the size of Rhode Island. These lands are held in trust for the county, and the county is expected to manage the lands for revenue.**

**Finally, much of the land owned by forest products companies in northern Minnesota is scattered about in relative small parcels. The**

**difficulty in managing these lands efficiently is spurring the companies to sell these lands, with the result that they often are converted from productive forests to non-forested uses. That's not good for habitat and it's not good for long term revenue generation.**

**The bottom line is that each of these three large landowners owns land that does not serve its respective goals well at all.**

**In 2012, The Conservation Fund designed a solution that would solve for the needs of each landowner. The first step was to put together a partnership with a for-profit wetland mitigation company we had worked with elsewhere in the country.**

**Next, we approached the School Trust and St. Louis County to propose an exchange of their degraded land inside the Sax-Zim Bog for productive timberland nearby owned by Potlatch Corporation, a forest products company. Potlatch wanted to sell these disjunct parcels so they could consolidate their holdings in Arkansas lower down along the Mississippi.**

**The first challenge was that the School Trust and the County couldn't sell their lands directly to a prospective buyer. So, The Conservation**

**Fund stepped in and bought the productive forestland from Potlatch so that we could exchange the land, like value for like value.**

**The second challenge was to make sure that we purchased exactly the right amount of forestland to equal the financial value of the School Trust and County land to be exchanged. This was a tricky appraisal process but ultimately, we matched up the numbers.**

**Finally, the third challenge was that we had to get the Minnesota legislature to amend existing state law to allow for this particular exchange, and then we had to get the unanimous approval of the Governor, Attorney General and State Auditor. This was a very tricky political process, but the benefits to each party were so overwhelmingly positive, that, in the end, the project was approved.**

**Here's how it all worked:**

- We purchased 9,700 acres of forestland from Potlatch;**
- We exchanged that for 20,000 acres of Trust and County land;**
- We sold the land we received from the Trust and the County to the mitigation banker;**

- **The mitigation banker restored the wetlands, totaling 27,000 acres inside Sax-Zim Bog, selling the wetlands credits to mining companies and local governments to offset mining and road building impacts; and**
- **The School Trust and the County now own very productive timberlands which generate significant revenue.**

**All of this done without spending a dollar of public money on the acquisition of the land or its restoration – a truly remarkable outcome.**

**For my third and last example, I'd like to stay here in northern Minnesota, but move up a notch in complexity and scale.**

**This one also involves a large-scale exchange, and engages Potlatch, the School Trust and the U. S. Forest Service. Ultimately, it will result in the realignment of more than 80,000 acres of Trust land currently landlocked inside the Superior National Forest so that the Trust ends up with 40,000 acres of highly productive timberland. I want to specifically acknowledge Aaron Vande Linde for his leadership and commitment on this effort.**

**The need for a creative solution arose in 1978 when the Boundary Waters Canoe Area Wilderness was established, thereby locking in 83,000 acres of School Trust lands, causing significant land management issues for both the state and the U. S. Forest Service.**

**To unlock the revenue-generating potential of these lands, The Conservation Fund devised and is now implementing a plan to:**

- Purchase 40,000 acres of high value forestland in northeastern Minnesota from Potlatch Corporation;**
- Exchange that land in, in 8,000-acre annual increments, for equal value acreage from the 53,000 acres inside the Wilderness Area;**
- Then, once we own the land the School Trust used to own inside the Wilderness Area, we will sell it to the Forest Service using funding from the Land and Water Conservation Fund.**

**When all is said and done, Potlatch will get out of lands they no longer want to own, the School Trust will gain more than 40,000 acres of productive timberland that it can harvest for revenue, and the Boundary Waters, a national treasure for those seeking a wilderness experience, will no longer have scattered and unprotected lands embedded within its region.**

**These projects demonstrate, in related but different ways, how we can work together toward a beneficial realignment of land ownership where Trust lands are involved. This realignment allows you to more successfully deliver on your mandate of revenue for schools.**

**And you have had smashing success. Across all your states, you have served more than 22 million students. But there is so much more to do.**

**And here, I want to pivot, and challenge you to accept an addition to your mandate – one on which you are uniquely positioned to make a real difference. And that is to help the next 22 million students you serve reconnect with the natural world around them.**

**You see, over the past 30 years, children of the digital age have become increasingly alienated from the natural world with disturbing implications, not only for their physical fitness, but also for their long-term mental and spiritual health, and of course, for the environment.**

**Young people who grow up without spending time in nature are much less likely to be strong champions of the environment when they reach voting age.**

**Twenty or thirty years from now, we will have a generation of leaders in our public, private and nonprofits institutions who will be asked to make policy and budgetary decisions about forests, wetlands and rangelands who have never seen a forest, waded a stream, or simply gotten their hands dirty in a garden.**

**While opening up a wealth of “virtual” experiences to the young, all of the new technologies have made it easier and easier for children to spend less time outside.**

**Wall Street, of course, calls this progress. But if that’s true, then Ogden Nash was right when he said, “Progress may have been a good thing at one time, but it went on a little too long.”**

**Put another way, the market has its place, but the market needs to be kept in its place.**

**Recently, I passed a giant billboard from IKEA that read “Kids, go play inside!” What does it say about our priorities as a society when we choose to market clever furniture in place of clever kids? When we**

**will drive miles out of our way to buy free range chicken but are too busy or too scared to encourage free range children?**

**There is a dullness in our young people today because they have lost the spark that comes from interacting with the world around them. It is time we reclaimed the higher ground.**

**But how do we get there from here? Martin Luther King said that the success of any social movement depends on its ability to “show a world where people will want to go.”**

**But where is that?**

**You and I may want to go to Yellowstone or the Grand Canyon. But for a child in East Philadelphia, East St. Louis or East L. A., it may be someplace entirely different.**

**In fact, it may be the abandoned lot next door -- New York City has over 47,000 vacant land parcels totaling thousands of acres.**

**For decades, these have been considered liabilities, to be fenced off, avoided. What a waste. Where is the vision, the creativity in that?**

**Mark Twain said “you cannot depend on your eyes when your imagination is out of focus.”**

**I prefer Agatha Christie’s outlook better.**

**You see, she was married to one of the preeminent archaeologists of her time. Once when she was asked what’s it like to be married to an archaeologist, she replied...”It’s wonderful! The older I get, the more interested he is in me!”**

**She was clever enough to see her age as an asset rather than a liability. And we need to be clever enough to recognize that New York City with its 47,000 abandoned lots has an amazing asset just waiting to be deployed.**

**This brings up a central point in our efforts to reconnect children with nature. As we become more of an urban nation, and as the demographics of our country continue to change, reconnecting children with nature will be less about bringing kids to nature, and more about bringing nature to the kids.**

**Taking an inner city kid from Atlanta to Yellowstone is a bit like sending her to the moon for a week. It is too big a leap. We need to bring nature to these kids in a way that makes sense to them. Then, later, after they have developed a connection, a love for nature, we can make our way to Yellowstone.**

**By the year 2050, 85% of Americans will live in cities. If we are to make nature relevant to these Americans, then we must recognize the value, not only of our national forests and wildlife refuges, but also of our neighborhood parks, wooded cul-de-sacs, and abandoned lots that have yet to be restored.**

**For too long, we in the environmental movement have defined nature in terms of wildness, far away and pristine. And the result is that nature has become a foreign country that we get to visit only once in a while. That will never do.**

**Nature must be nearby, accessible. It must be returned to our day care centers, our schools and our communities.**

**Consider this, there are 40 million diabetics in this country today; there will be 60 million in 2025; and, if we don't change course, 80 million in the year 2050!**

**Already, we spend \$2 trillion each year on health care with 95% of that spent on direct medical service – and only 5% allocated to preventing disease and promoting health and a healthy lifestyle.**

**The implications for the country are severe – from a health perspective, to the impact on local, state and national budgets, to corporate competitiveness, to the future of our magnificent land and water legacy. We need to rethink our approach to wellness and health – nature as the 1<sup>st</sup> prescription rather than the last.**

**We know that patients in rooms with tree views have shorter hospitalizations and that children with ADHD who have access to natural areas are calmer and require less medication.**

**And we know that the presence of trees outside apartment buildings in a public housing project in inner-city Chicago predicted better coping skills, less crime and less violence.**

**And finally, we know that among children who play in paved over playgrounds, the leaders tend to be the most physically mature; while among children who play on green playgrounds, the leaders tend to be the most creative.**

**Remember, these are the future leaders of our country. With all the complexity in the world today, from global warming, to free trade and immigration, to ethnic and religious intolerance, do we really believe we can lead based on strength alone?**

**All Americans care about these issues. They may come to the table for different reasons, but they want a seat at the table. And we need to set a place for them. Poor people, people of color, people with disabilities, and others who have the least access to natural settings, and who may need it the most. As a nation, we will be paid back many times over.**

**My favorite lapel button says simply “The meek are getting ready.” Now I’m not sure if the meek will inherit the earth, but I am sure young people will. And you need to help them get ready.**

**Conclusion:**

**Now, I'd like to leave you with a few final thoughts.**

**As I travel across all 50 states of this great country, too often I witness a culture of confrontation, rather than collaboration. Too often I am reminded of John Gardner's phrase "The war of the parts against the whole".**

**Over fears of liability, we post 'No Running' signs in county parks.**

**Over fears that our children may encounter a sociopath, we encourage sedentary, anti-social behavior by allowing our kids to spend hours in front of an electronic screen.**

**And over fears of nature itself, we quarantine kids under virtual house arrest, thereby ensuring that they too will fear the very thing they need the most.**

**For tens of thousands of years, kids went outside and played in nature, and we are reversing that in a matter of decades. The area beyond which children are free to roam has shrunk by 89% in the past 20 years.**

**It simply doesn't add up.**

**We need a Children's Bill of Rights that is explicit about the freedom to explore and improvise, about the right to experience nature in a meaningful way.**

**If the world of our future, with all its complexity, will demand people who are able to understand and adapt, who have creativity and compassion, can we afford anything less?**

**In the Declaration of Independence, it says: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness."**

**Life, liberty and the pursuit of happiness. With all we know about the benefits of nature to children's health, cognitive ability and socialization, shouldn't access to nature be an unalienable right?**

**Christopher Reeve, the actor who was paralyzed in a riding accident, had on the wall of his room when he was in rehab a picture of the**

**space shuttle blasting off, autographed by every astronaut then at NASA. On top of the picture it said “We found nothing is impossible”.**

**And Reeve said, “That should be our motto. Not a Democratic motto, not a Republican motto, but an American motto. Because it’s not something one party can do alone. It’s something we as a nation must do together.”**

**He went on to say, “So many of our dreams at first seem impossible. Then they seem improbable. And then, when we summon the will, they soon become inevitable.”**

**Whole and healthy children, vast, intact landscapes of well-managed forests and rangeland, providing indoor and outdoor classrooms for generations of young people – it is time we began to speak of these things as if they are not only possible, but inevitable.**

**You are some of the finest managers anywhere in America. You have a tough job, trying to deliver on a clear mandate in a world where public sentiment, and therefore public policy, is anything but clear. But you are doing a really good job.**

**And as I close, I want you to know that you have friends and partners out there, Steve and I first among them, willing and able to help.**

**Thank you for all that you do, and for allowing us to be a small part of your success.**