

## RESOURCES &amp; ENVIRONMENT

## Why Sell Off Public Lands?

"The Fallacy of 'Privatization'" by Carlisle Ford Runge, in *The Journal of Contemporary Studies* (Winter 1984), Transaction Periodicals Consortium, Dept. 541, Rutgers University, New Brunswick, N.J. 08903.

The Reagan administration's efforts to "privatize" large tracts of federally owned land by auctioning it off to individuals and corporations strike some critics as a sellout to "special interests."

In fact, says Runge, a University of Minnesota economist, "privatization" is chiefly motivated by a new economic theory that aims to *end* such "deals." But he argues that the sales are misguided anyway; the theory behind them is flawed.

The theory is called the New Resource Economics. Its intellectual father is the late Garrett Hardin, who argued in a seminal 1968 essay called "The Tragedy of the Commons" that publicly owned land will always be abused. He blamed the phenomenon on what economists call "the free-rider problem." Individuals have an incentive to overexploit things that are owned in common. For example, explains Runge, "There is always an incentive on common land to graze another head of cattle, regardless of the impact that this has on range quality [because] the benefits . . . are captured by the individual grazer while the costs of reduced range quality are spread across all those who share the commons."

There are two possible solutions. One is tight government regulation. But the New Resource economists argue that regulatory bureaucracies are costly and cater to organized interest groups. They believe that land (and the minerals and other resources it contains) is best managed by private owners. The reason: If owners abuse the land, they pay all the costs.

But the facts do not seem to support the theory, Runge observes. Government data on 217 million acres of federally owned rangeland and 433 million acres in private hands show that 68 percent of the public land and only 35 percent of the private acreage can be classified as in "fair" condition or better. (The remainder is in "poor" condition.)

Ironically, Runge writes, backers of the New Resource Economics in the U.S. Department of the Interior who favor "privatization" as a way to curb the power of the federal bureaucracy have wound up forcing land sales over the objections of local residents, state and county governments, and even some of the supposed corporate beneficiaries.

## A Fuel Cell in Your Future

"The Procrastinator's Power Source" by Eliot Marshall, in *Science* (Apr. 20, 1984), 1515 Massachusetts Ave. N.W., Washington, D.C. 20005.

What generates electricity but creates no significant pollution or noise and is efficient and relatively inexpensive? A fuel cell, says Marshall, a *Science* correspondent.

The fuel cell is a cousin of the battery and, he believes, "an environ-