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An all too familiar story

by Lee Pitts

A Digest Exclusive

In 1989 we editorialized that the Nature Conservancy, in cahoots with the U.S. Fish and Wildlife Department, was very much wanting to purchase New Mexico's Gray Ranch, at one time the largest ranch in the United States. The Nature Conservancy wanted to make the Gray part of a massive International Peace Park Preserve that would eventually condemn \$50 million worth of privately owned ranches in Arizona and New Mexico. The Conservancy flatly denied it, although they were responsible for crafting the secret document in which the plan was outlined.

Guess who now owns the Gray Ranch?

In July 1991 we said that the Nature Conservancy was again stalking one of the largest ranches in the country, the MC Ranch near Adel, Ore. We suggested at the time that George Gillett, MC owner and junk bond casualty, would cash out to the Conservancy.

Guess who just bought the MC?

It's getting to be an all too familiar story.

In land we trust

Land trusts are the fastest growing segment of the conservation movement today. About 1,000 land trusts currently exist in the United States today, with the Nature Conservancy being by far the largest. The Conservancy is a "non-profit" organization founded in 1951 with more than 600,000 members, a staff of in excess of 1,000, field offices in 50 states and an annual budget of \$156.1 million, the highest of any environmental organization. You can join yourself by calling a toll free number and paying just \$15, but several members, including Fortune 500 corporations, choose instead to contribute \$10,000 and more. Much more!

The Conservancy has at least 1,100 private reserves covering six million acres in all 50 states, Canada, Latin America and the Caribbean. Those are documented statistics. But what isn't too well known is the manner in which the Conservancy has acquired its prime real estate.

Deeper pockets

Residents of the tiny agricultural village of Adel, Ore., were stunned when they learned that negotiations had ended abruptly between 14 local families and George Gillett for the purchase of the MC Ranch. Instead the ranch has been placed under a 30 day purchase option to the Nature Conservancy.

At the time they learned of the Nature Conservancy action, the families were waiting for the mail to bring a contract confirming the verbal acceptance of their offer to purchase the ranch. According to John Lane, spokesman for the Adel group, they submitted the purchase proposal at the request of Gillett and were informed through their Portland agent that Gillett had accepted the offer.

"It's just a shame," says Bill Cleland, a young member of the local group whose great-grandparents homesteaded in the area. "We worked so hard since last year to put together a group of good, solid families that could scrape together enough money to make a legitimate offer on the ranch. We

An all too familiar story

didn't believe we could do it. Then when Gillett's people told our man they were going to go for it . . . to get our money ready . . . we were kind of scared. It was a big bite for us but we were ready. Then they just up and signed papers with someone else. We can't figure out why."

We can. The Nature Conservancy has deeper pockets and more grandiose plans. They plan to buy the land, keep some of it, and resell the rest to the government for a big profit. That's been their pattern. In Lake County, Ore., alone, which is already 78 percent publicly owned, the Conservancy has purchased more than 31,000 acres of agricultural lands during the past 12 years. They sold nearly 10,000 acres back to the federal government and from deed records at the county seat in Lakeview they did so at a profit.

This is a charity?

The Conservancy acts as a land broker for the government and other organizations by buying land, holding it and then reselling the land when the agency has the money to purchase it. If the land appreciated in value the Conservancy is not afraid to make a profit . . . and usually does. Nationwide, the federal government has been the Conservancy's top client. In 1989 the government, using your tax dollars, paid the Conservancy more than \$88 million in leases and sales.

And it is happening all over the country. In Nebraska alone the Conservancy bought the Pawnee Prairie and then transferred ownership to the state. They did the same thing in acquiring the Scotts Bluff National Monument and then transferring it to the National Park Service. They bought the Prairie

Marsh in Thayer County, Neb., and transferred it to the Nebraska Game and Fish Department.

There is usually one constant in all these deals . . . they are labeled top secret. The announcement of the MC Ranch sale specified that there would be no terms given about the financial considerations at the request of George Gillett. Such secrecy and subsequent sales have led many to believe there is illegal collusion between federal agencies and the Conservancy. Such collusion often excludes public discussion.

There is also another constant. The Conservancy seems to have a great knack for buying properties that rapidly appreciate in value once they buy them. For example, they purchased the Cox Ranch in New Mexico for \$2.6 million on June 10, 1988, and three weeks later the property was worth \$4.5 million as determined by their own appraiser. And that's the basis on which the property was transferred to the Bureau of Land Management!

The Cox deal caused Interior Department investigators to look at the "cozy relationship" that existed between the Nature Conservancy and the Interior agencies. After investigating the case, the Interior Department's own inspector was quoted as saying, "You folks had better get your act together. The Cox case shows there's plenty of grist for our mill in investigating Interior's land trust relationship."

The MC deal also suggests that the BLM may be violating the laws by which it is supposed to be governed. The 1992 appropriations

bill for the BLM contained a rider prohibiting the agency from acquiring any additional acreage in the Oregon counties of Lake and Harney. If the Nature Conservancy sells part of the MC holdings in these counties back to the BLM, it is in violation of federal statutes.

Those 14 families in Oregon should not be surprised that they got cut off at the pass by a charitable organization that seems to care more about profits than people. Virgil and Mike Mercer have contended for years that the BLM is giving the Conservancy preferential treatment by not requiring it to go through the same procedures as private citizens. The Mercers contend that "the Safford, Ariz., district of the BLM applied public land laws, regulations and policies preferentially to the Nature Conservancy, unlawfully granting the allottee rights, privileges, and treatment denied to other licensed public land ranchers."

Isn't it ironic that of all the western democracies, the United States government owns a larger share of its land mass than any other country . . . over 32 percent of the total? One might expect that with the federal government running such a huge deficit that it might sell off some of that land and pay a few bills. That's what you and I would have to do, but that does not appear to be the case with the government. Instead they are using a "charitable organization," with tax exempt status, as their real estate broker to expand their holdings.

What a country!