

## From the Old West to the New West and Back Again

By Terry L. Anderson

The “New West” means many things to different people, but for the economist and policy maker it is best thought of in terms of increased amenity demands on the region’s natural resource base. In recent years the demand for amenities produced from the air, water, and land has increased relative to the demand for commodities produced from those same resources. For example, residents in the West today are less willing to tradeoff using air or water for waste disposal against having cleaner air or water for consumption or recreation. Residents prefer more open space to urban sprawl or more recreational opportunities on public lands to clear cuts. Sometimes amenity demands are couched in terms of ecosystems and biodiversity, but regardless of the terms used to describe them, they are human demands articulated by human beings.

In contrast to the New West, the “Old West” is a term used to refer to an era when and a region where commodity demands dominated. The Old West was a rapacious frontier where cowboys, miners, loggers, farmers, and railroad tycoons ran rough shod over people and natural resources with little concern for the amenity production possibilities from air, water, or land. In that world, rich people got richer at the expense of the environment. The “Old West” is illustrated by many of the original state nick names—Montana the Treasure State, Idaho the Gem State, Wyoming the Cowboy State, Washington the Evergreen State, and California the Golden State. The transition from the Old West to the New West is exemplified by Montana’s switch from using its original nickname, the Treasure State, to its new one, Big Sky Country.

In the New West the increase in amenity demands relative to commodity demands has brought with it new competition for resources. In some cases amenity demands and commodity demands can be complementary while others necessarily require a substitution of resources between uses. The difference between complementary and substitution is captured in the Montana Land Reliance’s bumper sticker, which reads “Cows Not Condos.” In other words, keeping land in agricultural production is complementary with the amenity value the Montana Land Reliance wishes to maintain while converting agricultural land into housing developments is not. Where there is complementary use of

resources, different demands can be met without sacrifice, but where substitution is required, competition for resources requires sacrifices or, in the vernacular of economists, opportunity costs.

This raises two basic questions which are addressed in this paper: How will the competing demands be resolved and will the institutions that resolve competing demands for resources promote cooperation or conflict? The first section of the paper describes the Old West as an era when competition for resources resulted in the evolution of private property rights and laid the basis for resource markets and gains from trade.

The second section describes a transition from the Old West to the New West where institutions, driven mainly by a political process, generate conflict rather than cooperation. The third section argues that a return to the “good old days of yesteryear” could displace some of the conflict that permeates resource use in the West and replace it with more cooperation, whether through markets or more community-based local institutions.



Terry L. Anderson is Executive Director of PERC

### *The Not So Wild, Wild West*

“Dime novels” and western movies give us images of the frontier West as a “wild and woolly” frontier where cowboys shot Indians, gunslingers routinely shot one another and innocent bystanders, big cattle ranchers fought sheepherders, and, to use Mark Twain’s words, “whiskey was for drinkin’ and water was for fightin’.” Such depictions are not all wrong. The Indian Wars were a shameful part of western history that resulted when the standing army, created during the Civil War, found itself looking for skirmishes to fight (see Anderson and McChesney 1994). Fist fights did occur at the local “watering holes,” and people did get shot in barroom brawls (McGrath 1984). Cattlemen did fight with sheepherders when the latter brought sheep into areas where cattlemen had customary grazing rights (see Anderson and Hill 2004; Libecap 1981).

Because water was the lifeblood of agriculture in the arid West, farmers and ranchers battled to establish claims (see Anderson and Snyder 1995).

Such romantic and exciting stories, however, miss the important ways in which people on the frontier hammered out the institutions necessary for peaceful and productive settlement. Explanations for why this happened flow from what has come to be known as the “new institutional economics.”<sup>1</sup> The theory suggests that, because resource endowments in the West were so different from those in the East, necessity became the mother of institutional invention and innovation. Like any production process using scarce resources, people economize. In the case of defending and enforcing property rights, Demsetz (1967) and Anderson and Hill (1975) argue that people will only establish property rights when the value of the property to be defended rises sufficiently to offset the cost of defense. Because fighting over property rights is a negative-sum game, people with a stake in the game have an incentive to bargain to settle disputes (see Cooter and Rubinfeld 1989). In some cases, raiding was substituted for trading, but this generally happened when the power of the national government could be used to redistribute rights either by using its military might as in the case of the Indian Wars<sup>2</sup> or by using its taxing powers as in the case of water development under the Reclamation Act.

A few examples capture why the Old West was not so wild and how local institutional innovations provided incentives for resource stewardship. At the heart of most property rights was the notion that “first possession” was a cost-effective mechanism for establishing ownership.<sup>3</sup> From California to Montana, miners established claims rather peacefully through the rules of the mining camps (see Umbeck 1977). Because the six-shooter made nearly everyone equal in the use of force and because each claim had about the same productivity, miners honored first-possession claims that were of equal size. Similarly, the prior appropriation doctrine for water rights was hammered out in the mining camps and agricultural valleys and remains the basis for water law throughout the American West.

On the grazing frontier, efforts to define and enforce property rights built to a crescendo when hundreds of miles of barbed wire fences were built, but initially property rights to land were much less formal. As pressure on grazing resources increased with the arrival of cattle herds from Texas, grazers established property rights to land by simply posting notice on signs or in local newspapers that a grazer had claimed land. For example, on April 12, 1884, Charles S. Johnston posted a claim in the *Glendive Times* (in Glendive, Montana) that he did “hereby notify the public that I claim the valley, branching off the Glendive Creek, four miles east of Allard, and extending to its source on the South side of the Northern Pacific Railroad as a stock range.”<sup>4</sup>

Though customary range rights were informal, they were sufficiently well enforced that they had significant value when traded in the marketplace. Enforcement came mainly from the cattlemen’s associations that functioned as a local government. Historian Ernest Staples Osgood (1929, 115) summarized the three aims of the associations: “first, to preserve the individual’s ownership in his herd and his



**Pikes Peak Avenue, Colorado Springs, CO 1882**

increase; second, to afford protection to the individual’s herd; and third, to control the grazing of the public domain or to prevent over-crowding. These aims, which might have been achieved by an individual in the earlier days of comparative isolation, could now only be realized through group effort.” Bi-annual roundups provided a way of excluding grazers who were not members of the associations and hence not allowed to graze in the region. The roundups entailed scale economies which could be achieved by working together. If a grazer could not participate in the roundup, he could not efficiently enforce his rights to his cattle.

This brief summary of “the not so wild, wild west” suggests that local people are capable of hammering out local institutions that can allocate resources across competing demands. At the time property rights were evolving on the western frontier, the resource demands were mainly for commodities such as cattle, logs, crops, and minerals. Not only did the property institutions provide security of ownership that got the incentives right for encouraging efficient resource use, they allowed transferability between uses. The prior appropriation doctrine is an especially good example of a property rights system that has survived the test of time and promoted water transfers from one diversion use to another. The recent work by Gary Libecap (2005) debunking myths about the Owens Valley water transfers to Los Angeles provides even more evidence of how the property rights to water and land, devised in many cases prior to the arrival of formal government, remain effective today in encouraging efficiency and cooperation. The problem is that restrictions on transferability coupled with political allocations have replaced positive-sum games, where the gains from trade encourage cooperation, with zero-sum games where transfers from one party to another result in conflict.

### ***The Frontier Moves to Washington***

On the frontier prior to the arrival of formal governmental institutions, the actors were, what economists call, residual claimants. That is, it was their resources at stake in developing institutions thus giving them an incentive to conserve on how many resources were used in establishing property rights. As Lueck (2003) points out, the rule of first possession, as in the case of water rights, was one way of reducing the cost of defin-



ing and enforcing property rights. Though first possession can create a race to be the first possessor, as it did in the case of the homestead acts, local institutional development discouraged racing and minimized the effort that had to be put into retaining property rights.<sup>5</sup>

The arrival of formal government, however, removed the constraint of residual claimancy by separating the costs and benefits of decisions. The farther governmental decisions are removed from local constituencies, the more likely it is that interest groups will shift the costs to others while capturing the benefits for themselves. These benefits are referred to as rents by economists because they are returns above and beyond the opportunity costs of obtaining them. Thus the act of manipulating the political system to acquire these benefits is called rent seeking. In essence, rent seeking is the act of redistributing valuable assets from one party to another using the coercive power of government to effect the transfer.

Of course, not all governmental activities involve transfers and rent seeking. Government can play a positive role in institutional development by reducing the costs of defining, enforcing, and trading property rights. It also can lower the cost of using collective action to overcome the free-rider problem inherent in the production of public goods. Examples of lowering the cost of establishing property rights abound. Once cattlemen on the frontier had established branding as a way of identifying their cattle, they turned to territorial and state governments to register and enforce their brands. This lowered the transaction costs for the cattle market. The rectangular survey more clearly specified boundaries of land rights, and court houses provided the locus of registering the deeds associated with those boundaries. Today state governments are adjudicating water rights that evolved before formal governments existed. In Montana, for example, a water court has been working for years to determine priority dates and quantities for all the basins in Montana. Once this costly process is completed, it will be much easier for market trades to occur.

The homestead acts provide an example of a property institution that defined and enforced private ownership of land, but at significant costs caused by the race to claim those rights that the acts encouraged. By requiring settlement to secure title to land, homesteaders had to be “sooners,” to take a term from Oklahoma’s land rush history. In many cases this meant “premature” settlement and failure to prove up on the homestead (see Anderson and Hill 1990). Though private ownership did result, it was fragmented into parcels that were too small for economic viability and came at

significant costs in terms of premature settlement and expenditures on unnecessary improvements.

The allotment of Indian lands is another example of how the federal government’s attempt to establish private property rights opened the door for rent seeking. With the Dawes Act of 1887, Congress authorized allotment of small parcels of reservation land to individual Indians to be held in trust by the government until the Indians were deemed “competent” to hold clear title. Not only were these parcels too small for economic viability, the trust status made them unuseable as collateral for loans and placed bureaucratic impediments in the way of owner management. The rent-seeking aspect of allotment came in the fact that once reservation lands were allotted, the remainder of reservations were declared “surplus” and opened for non-Indian homesteading. In the end, non-Indians ended up with significant portions of some reservations, and the trust lands were not put to very productive uses.<sup>6</sup>

In setting aside millions of acres as public lands, the federal government opened another door for rent seeking through bureaucracies such as the Forest Service, the National Park Service, and the Bureau of Land Management. Today these agencies control nearly one-third of the land in the United States and as much as 90 percent of the land in states such as Nevada and Alaska. Though referred to as public lands, they are better thought of as “political lands,” the rents from which are allocated through political and bureaucratic processes. Scientific and multiple-use management may play a role in the allocation of these resources, but ultimately it is politics that carries the day.

When the political lands were first restricted from privatization, management was much less centralized and even bordered on privatization in the sense that specific individuals or groups were the residual claimants. Indeed, in the case of national parks, there was de facto ownership during the early years when nearly everyone of the early, large western parks was controlled by railroads in one way or another. Yellowstone National Park offers a perfect example.<sup>7</sup> There, the Northern Pacific recognized the value of the park’s amenities to its passenger traffic. With homesteaders trying to establish claims to the most unique places such as Mammoth Hot Springs and Old Faithful, the railroad realized that some of the potential rents would go to these homesteaders if they were successful. With a virtual monopoly on transportation to Yellowstone but with no way to establish private ownership for itself, the Northern Pacific lobbied Congress to set aside the area as a national park and therefore not open to homesteading. Once privatization was stopped, the railroad proceeded to obtain monopoly control of internal services such as stagecoach transportation, lodging, and meals. These monopolies, combined with its route from Chicago, gave the railroad virtual ownership and provided the incentive to preserve the amenities. As one official put it,

We do not want to see the Falls of the Yellowstone driving the looms of a cotton factory, or the great geysers boiling pork for some gigantic packinghouse, but in all the native majesty and grandeur in which they appear today, without, as yet, a single trace of adornment which is desecration, that improvement which is equivalent to ruin, or that utilization which means utter destruction. (Runte 1990, 23)

When the arrival of other railroads to Yellowstone coupled with the allowance of automobiles into the park in 1916 broke the Northern Pacific's virtual monopoly, the management vacuum was filled by the National Park Service. During its early years, the National Park Service took in enough revenue to fully cover its costs and then some. Parks were seen more as playgrounds where people could camp, sightsee, fish, and generally recreate, and these uses did not compete with one another. Politics entered the picture mainly through concession contracts.

In more recent years, however, the National Park Service has become more of a political football as different demands have interpreted the service's charge of maintaining parks "unimpaired for the enjoyment of future generations." Does this mean more wilderness areas? Does it mean fewer campgrounds? Does it mean allowing snowmobiles? Does it mean reintroducing species such as wolves? And the list goes on. Each of these questions represents a competing demand and requires the National Park Service to reallocate the resources under its charge. Not surprisingly, nearly all of its decisions are challenged in court.

The U.S. Forest Service and the Bureau of Land Management provide similar stories. Gifford Pinchot, whose idea the Forest Service was, envisioned an agency that would scientifically manage the public lands to maximize timber production according to the German model in which he was trained. With this single purpose, the agency essentially had only one constituency, loggers, to which it had to respond, and the agency's mission was consistent with its constituency's. When grazing was added as a commodity to be produced on Forest Service lands, there was not conflict between logging and grazing constituencies because the two outputs were complementary to one another; more clearcuts meant more grass.<sup>8</sup>

Especially since World War II as incomes have increased, Forest Service lands have become a recreational playground and a bureaucratic battleground. Even within the recreational community, there are conflicts over use. For all-terrain-vehicle users or snowmobilers, old logging roads provide excellent trails. Hence logging and offroading or snowmobiling can be complements to one another. On the other hand, logging and vehicular traffic usually are not viewed as compatible land uses for hikers, skiers, and general wilderness aficionados. To charge the Forest Service with balancing these demands, Congress passed the Multiple Use Act of 1964 and to constrain land agencies in the way they carried out their management, it passed the Federal Land Policy and Management Act in 1976. Neither of these acts, however, provided a blueprint for trading off one use against another in any positive-sum way; rather they legislated bureaucratic processes that pit one user group against another in zero-sum games. This rent-seeking boxing ring produces "multiple conflicts over multiple uses" (see Anderson 1994).

The Bureau of Land Management (BLM) has a similar history. Originally the agency managed grazing lands that were not productive enough to warrant homesteading. Local grazing districts run by committees of local grazers acted as residual claimants. With good local knowledge of forage, rainfall, and other variables that affected grazing, these local

districts effectively maximized the value of the grazing output. Because these lands were less attractive for recreation than the national forests, there were few conflicting demands for land, making the goals of the BLM and its constituents congruent.

In recent years, pressures on the BLM have followed the path of the Forest Service. Amenity demanders have battled to reduce grazing in the interest of increasing wilderness, wildlife, and recreation. Economist Gary Libecap (1981, 93) concludes that between 1960 and 1980, "ranchers lost much of the security of tenure and decision-making power . . . . The beneficiaries of the shift have been the Bureau of Land Management and its conservationist supporters." And again the result has been "multiple conflicts over multiple uses."

Perhaps the best (or perhaps more appropriately, the worst) example of rent seeking comes with western water. The Reclamation Act of 1902 was aimed at "making the desert bloom like a rose." By building dams and delivery systems, the federal government supplanted private irrigation development (see Anderson and Hill 2004) with massive subsidies to farmers (see Rucker and Fishback 1983). As long as the reclamation projects were primarily for irrigation and secondarily for hydro-electric production, conflicts over water management were few. The Bureau of Reclamation had contracts to deliver water to farmers with little concern for instream consequences.

The Klamath River debacle in Oregon epitomizes the changes that have resulted from conflicting demands for water.<sup>9</sup> Backed by the Endangered Species Act, environmentalists demanded that water be left in the river for threatened or endangered fish species. Tribes, armed with treaties giving them hunting and fishing rights, joined the fight to reallocate Klamath River water from irrigation to instream flows. When the Bureau of Reclamation shut off water to the farmers in the spring of 2001, an estimated 13,000 farmers and their friends defied the federal government by forming a bucket brigade to symbolically dump water into the bone-dry "A" Canal. The conflicts are not so severe when there is enough water to meet all demands, but when drought conditions set in, as they did in 2001, conflict follows. The question becomes who has the right to whatever water there is—farmers who have prior appropriation water rights or contracts for water delivery from the Bureau of Reclamation, Indian tribes who have treaty rights for fishing and hunting, or environmentalists who claim water for fish species under the Endangered Species Act? It is that question that has farmers, environmentalists, tribespeople, and government agencies locked in a battle, not just in the Klamath, but on many streams and rivers throughout the West.

### ***Back to the Future***

In contrast to the property-based institutions that evolved on the western frontier, the political institutions that evolved during the twentieth century were not designed to accommodate changing values. With private property rights to land, water, and minerals, people could exchange their property rights to accommodate different values and promote efficiency. To be sure, the primary values that were accounted for in these market transactions were commodity values, though the story of Yellowstone and of dude ranching suggests that amenities were not totally ignored.<sup>10</sup> In contrast, political institutions

for managing land, water, and wildlife generally can only reallocate resources by substituting one use for another. As a result, federal agencies and even some state agencies find themselves locked in political or court battles over virtually every decision they make. The question is: Can we learn from our past to improve the future of the West?

The key to institutional reform that can promote cooperation is to devolve decision making to levels where the actors have a greater stake in the outcome. On the frontier, the people hammering out property institutions had a clear stake in the process and the end result. Fighting is a negative-sum game because resources are expended in redistributing valuable assets. Residual claimants not only have better knowledge about the values of the resources at stake, they have an incentive to find gains from trade. Without going to the extreme of full privatization of all resources, consider some devolution possibilities for land, water, and wildlife that could encourage positive-sum games.



## Land

As economist Robert Nelson (1996) has noted, political land management has created private rights to public lands. For example, grazers on federal lands have had relatively secure property rights to their grazing permits, and these secure rights have given them an incentive to be good stewards. Environmentalists, who would prefer not getting cow manure in their waffle stompers, tried to get the Clinton administration to remove grazing from the federal estate using slogans such as “No Moo in ‘92” and “Cattle Free in ‘93.”<sup>11</sup>

One simple solution to this problem is to make existing permits transferable to non-grazers on a willing buyer-willing seller basis. This approach is exemplified by the efforts of the Grand Canyon Trust and the Conservation Fund to purchase the Kane and Two Mile ranches in Utah between the Grand Canyon and the Grand Staircase-Escalante National Monument. These two groups are trying to raise \$4.5 million. With that, they will acquire 1,000 acres of private land and the associated grazing permits for 900,000 acres of public land. According to Bill Hedden, executive director of the Grand Canyon Trust,

We don't pretend that we can just march in and manage the land better than anyone else. But our goals are different than traditional ranchers. We can manage to improve the habitat for antelope fawn survival or to ensure that there is an adequate small mammal prey base for goshawks and spotted owls. . . . We need new ways to do things, and this private partnership represents one of the new ways. We're seeing this attitude of “let's work this damn thing out,” in a lot of places around the West. (quoted in Larmer 2004, 6)

Timber management provides another example of how devolution and accountability can improve efficiency, fiscal responsibility, and environmental stewardship. Donald Leal (1995) made side-by-side comparisons of federal and state forest management in Montana. He found that, while federal forests on average lost 50 cents on every dollar they spent, state forests made \$2 for every dollar they spent. Moreover, state forests produced more environmental amenities such as clean water and wildlife habitat.

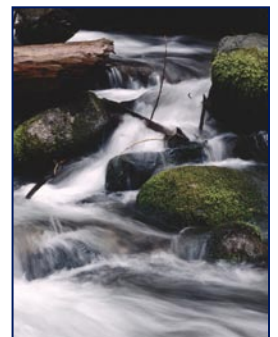
The difference between the two was the management incentives. Federal forest managers must grovel at the feet of congressional committees for their budgets and, for the most part, send their revenues to the black hole of the federal treasury. State forests, in contrast, are part of the state school trust lands and are charged with earning a profit for the school trust, not just today, but into the future. In so doing they are willing to make tradeoffs between which uses will generate more profits. Hence recreation, viewsheds, and other amenity values will be traded off against timber production if they can generate more revenue. This happens because there is a bottom line against which managers can be held accountable and because there are “shareholders” such as students, teachers, administrators, and parents, all of whom have a stake in efficiency.

Some policy analysts have suggested building on this trust concept to improve management. Dan Kemmis from the Center for the Rocky Mountain West in Missoula, Montana, has called for establishing “Region 7” for the U.S. Forest Service. This “virtual region” would not be a geographic region, but would be a set of experimental forests charged with producing specific outputs and services and managed by a board of directors. This approach is being tried with the Valles Caldera National Preserve. For it, Congress created a nine-member board of trustees appointed by the president. The law requires trustees to have expertise in areas important to the trusts' mission, such as livestock, forest, and wildlife and fish management. In balancing the various land uses, the trustees are also charged with making the preserve financially self-sustaining.<sup>12</sup>

## Water

Resolving conflicts over water use in the West also requires devolution. John Wesley Powell, the nineteenth-century explorer of the West's great waterways, understood the importance of this type of federalism. Speaking to the Montana Constitutional Convention in 1889, Powell described what he thought would be the optimal geographical units for organizing county government:

I want to present to you what I believe to be ultimately the political system which you have got to adopt in this country, and which the United States will be compelled sooner or later ultimately to recognize. I think each drainage basin in the arid land must ultimately become the practical unit of organization, and it would be wise if you could immediately adopt a county system which would be convenient with drainage basins (quoted in Kemmis 2001, 177).



Though his suggestions were totally ignored by Montana and other western states, his insights into the connection between the physical characteristics of natural resources and the optimal geographic region for organizing government are as profound today as they were then. Rather than having Congress and its agencies trying to resolve conflict in places such as the Klamath, these decisions should be devolved to the lowest common denominator. William Kittredge (2000, 33) observes that “Practical people who live in the Klamath Basin are developing homegrown political entities . . . . They are trying to solve local and regional problems within a framework of federal and state regulations, using local expertise.”

Given that western water law is firmly rooted in the prior appropriation doctrine, water markets provide even more potential for devolution. If states would accelerate the adjudication of water rights, actors would know with whom they could bargain to reallocate water to new uses. In particular, allowing environmental interests to lease, purchase, or leave it instream for aquatic values is an important step toward resolving disputes between irrigators and environmentalists.<sup>13</sup> Though a state agency can often hold water rights for instream purposes, most western states restrict private groups from transferring rights from offstream to instream uses. In Montana, for example, the legislature had to change the law in 1995 to allow private groups to lease water and leave it instream. Between 1990 and 1997, purchases, leases, and donations were reported in 9 of 11 western states, totaling more than 2.3 million acre-feet of water (see Landry 1998). Groups such as the Oregon Water Trust, Washington Water Trust, and Montana Water Trust are filling a niche for voluntary, non-confrontational water trades to keep water instream.



## Wildlife

Finally, the management of wildlife and wildlife habitat could benefit greatly from making the demanders and suppliers more squarely face the costs and benefits. The Defenders of Wildlife program to compensate livestock owners for losses caused by wolves reintroduced into Yellowstone National Park is an example. By raising private funds and structuring an evidentiary system for proving whether losses are caused by wolves, Defenders has accepted a share of the cost of what it wants. Leasing or purchasing land for wildlife habitat is another example of how markets can shift production from tradition commodities to higher-valued amenities. And this need not be the domain of government. Non-profit groups, clubs, and associations, and for-profit firms can and do broker such transactions.

To further encourage such markets, agencies, especially at the state level, can do much more to make wildlife and its habitat an asset rather than a liability. Under state wildlife law, the wildlife belongs to and is managed by state agencies. Private landowners may be compensated for crop

losses and other damages, but generally have little say in management and almost no incentive to improve habitat. A ranching for wildlife program such as the one in Colorado offers one way of making wildlife an asset. Such programs allocated a certain number of hunting permits to landowners who can then sell them to hunters at the market price. To get these permits, the landowner must develop a habitat management plan and have it approved by the state agency. As one Montana rancher described the tradeoffs between traditional land uses and wildlife habitat, “If it pays, it stays.” Markets for hunting and other recreation on private land provide a way of making amenity values pay.<sup>14</sup>

## Conclusion

We can learn a good deal from the frontier West which was an institutional crucible. There people bore the costs and reaped the benefits of developing institutions that encouraged good stewardship and discouraged negative-sum battles. They hammered out customary grazing rights, mining laws, and the prior appropriation water doctrine. These institutions served well for allocating natural resources among alternative uses, especially for the production of commodities.

In the New West, demands for natural resources to produce amenities have risen relative to demands for commodity production. Reallocating resources between these two uses has been a challenge for two reasons. First, some laws restrict transferring property from one use to another. This is the case with the prior appropriation doctrine that restricts transfers to instream use. Second, political institutions control the allocation of many resources, especially public lands and wildlife. Reallocation in the political process generally pits amenity demanders against commodity demanders in a game where one side’s loss is the other side’s gain. Conflict rather than cooperation is inevitable.

Recognizing existing property rights whether they be private, as with land, or political, as with grazing permits, and encouraging exchange of these rights can link the New West with its Old West heritage. This will require devolution from centralized governmental control to lower levels of decision makers. The lowest denominator for devolution is to individuals who voluntarily exchange property rights in the marketplace. Markets for conservation easements, grazing permits, water rights, and hunting habitat provide examples of how devolution to this denominator can supplant conflict driven by rent seeking with cooperation driven by gains-from-trade. Short of private property and markets, devolution to lower levels of collective action can also help. State school trust land and state park management is less contentious and more economically and environmentally sound. Local open-space bonds provide benefits to local citizens without forcing a small subset of landowners to bear the cost of development restrictions. Private ownership and devolution of governmental control offers the best hope of taking us back to a future where free and responsible individuals cooperate with one another as stewards of the West’s heritage and natural bounty.