

California State Archives
State Government Oral History Program

Oral History Interview

with

DOUGLAS WHEELER

California Secretary for Resources
1991-1999

December 3, 2003, April 23,
and November 8, 2004
The Bancroft Library, University of California
Berkeley, California

By Ann Lage
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INTERVIEW HISTORY

Interviewer

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December 3, 2003

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Session of two and one-half hours

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Editing

The production staff and interviewer at the Regional Oral History Office checked the verbatim transcript of the interview against the original tape recordings, edited for punctuation and spelling, verified proper names, and compiled a table of contents. Mr. Wheeler reviewed the transcript, making only minor changes.

Tapes and Interview Records

The first two interview sessions were recorded with digital audio equipment; the final session was videotaped. The audio and video recordings of the interview are in The Bancroft Library, University of California, Berkeley. Records relating to the interview are at the Regional Oral History Office. Master tapes are deposited in the California State Archives.

Papers

Mr. Wheeler's papers relating to his tenure as executive director of the Sierra Club are in the Sierra Club Records at the Bancroft Library, University of California, Berkeley. Discussion is now in progress regarding the disposition of papers relating to his service as Secretary of Resources and his other environmental activities.

BIOGRAPHICAL SUMMARY

Douglas Wheeler was born in Brooklyn, New York, on January 10, 1942, and raised on Long Island, New York. He received a bachelor's degree from Hamilton College in 1963 and a law degree from Duke University School of Law in 1966. After three years as an attorney in Charlotte, North Carolina, where he was an unsuccessful candidate for the state legislature, he joined the Nixon administration's Department of Interior from 1969 to 1977 as assistant legislative counsel and deputy assistant secretary for Fish, Wildlife, and Parks.

Mr. Wheeler has served as senior executive of several nonprofit environmental and conservation organizations, including the National Trust for Historic Preservation (executive director, 1977-1980), the American Farmland Trust (president, 1980-1985), the Sierra Club (executive director, 1985-1987), and the World Wildlife Fund/Conservation Foundation (vice president, 1987-1991).

From 1991 to 1999, Douglas Wheeler served as California's Secretary for Resources. He was a member of Governor Pete Wilson's cabinet and directed the Resources Agency, responsible for all of the state's natural and cultural resource programs administered through eighteen departments, conservancies, and boards and commissions.

Since 1999, Mr. Wheeler has been a partner in the Environmental Practice Group of Hogan and Hartson in Washington, DC.

[Session 1, December 3, 2003]

[Begin Minidisc 1]

LAGE: Now we are starting to record and it is December third, 2003. We are in Sacramento with Douglas Wheeler, the former secretary for resources under Pete Wilson, and we are going to do an oral history for the state archives program. You mentioned Kevin Starr.

WHEELER: Yes. Yes.

LAGE: He is involved there in some way. I wanted to start not with your being secretary for resources but way back.

WHEELER: At the beginning.

LAGE: The beginning. Not in great detail, but something about your personal background that will show us what led you where you have come in this life. So tell me, just begin with where you were born.

WHEELER: Well, I am a native of Brooklyn, New York, of all places. My mother and father were both first-generation Americans and had grown up in New York City, but like families of that era, following my father's service in World War II, they moved to the suburbs. So we were in fact products of the postwar development of the suburbs in Long Island, New York.

LAGE: In Long Island. Where were your parents immigrants [from]?

WHEELER: Their parents. One set from England, one set from Germany. So they had become a part of the great urban melee of New York, but their children, my parents, were

interested in seeking greener pastures, so to speak, and took us to the suburbs after World War II.

LAGE: With the GI. Bill?

WHEELER: I'm sure. I can't say exactly, but we moved to the north shore of Long Island—first to Port Washington, and then to Huntington a bit further out, just across the line in Suffolk County. My father commuted like so many others, then and now, from Long Island to his job New York City.

LAGE: And what does he do?

WHEELER: He was in advertising and sales. He was the first of his family to have gotten a college degree and had ended his career as a vice president of sales and marketing for a large, national food manufacturing company, corn products, now CPC International.

LAGE: And your mother?

WHEELER: My mother was a nurse, trained at Long Island College Hospital in Brooklyn, where she grew up and had gone to high school. They met and married in Brooklyn, and of course I was born there, as was one of my two siblings. The third was born on Long Island after they had moved to Long Island.

LAGE: So did you kind of see the suburbs grow up around you?

WHEELER: Yes. Although I wasn't conscious at the time of what was happening, it was quite clear that a transformation was underway. The records of the development of people like Levitt, for instance, in Levittown, are replete with reference to the fact that this was the haven of people who were attempting to improve economic circumstances, to escape the rigors of city life. When we moved first to Nassau County, closer to the city, we were following that pattern of people looking for greener pastures and then, to Huntington further out, because development was moving with the population surge.

It was becoming increasingly dense in those areas closest to the city. Ultimately, thirty or thirty-five miles from the city—but even that became suburban fairly quickly.

LAGE: Was your family trying to get out in a more rural context?

WHEELER: Oh, definitely. Oh, definitely.

LAGE: Yeah.

WHEELER: And more acreage or elbow room as it were. Better schools—the things that motivate people in general. But that was my first sense of the effect of development and the sense of place as it affects us and our perception of the world.

LAGE: Looking back, did you have those feelings then?

WHEELER: No, no, no. But I could understand now why they were important to me later. We lived on or close to Long Island Sound, and my father had invested in a very small boat. I remember as a high school student being able to go out in that boat onto the sound and to enjoy a world that I had never known before, which was another part of sort of coming to know the natural world around me. Most of Long Island at that time, at least eastern Long Island, was devoted to potato farming and ducks, so it was pretty agricultural. But you could see the encroachment of suburbs, and that has led me, much, much later, to my interest in farm land protection.

LAGE: Did you play in some of these open fields?

WHEELER: Oh yes, absolutely. And we had access to the creeks that were tributaries of Long Island Sound. But my most memorable exposure, I suppose, to the out of doors early, occurred while I was a Boy Scout. Particularly at a place called Camp Baiting Hollow where our troop would go from Huntington where we lived, further out on Long Island to what was then true wilderness to me, at a camp the Boy Scouts had established for summer recreation.

LAGE: And what was it called?

WHEELER: It was Camp Baiting Hollow and it was in a little town, again on the north shore not far from Riverhead, Long Island, called Calverton. That was really wilderness. I had not been west at that time.

LAGE: Were those words used?

WHEELER: Well—we were going to the country. We knew we were going to the country. It made a big impression on me as an eleven-and twelve-year-old, that we could leave the confines of our suburban life and go to something entirely different.

LAGE: Not really very far away.

WHEELER: Not really very far away. Twenty, twenty-five miles maybe.

LAGE: How involved did you get in Boy Scouts?

WHEELER: Very. I was a Cub Scout first, then a Boy Scout, finally becoming a member of the Order of the Arrow, which is an honorary society of scouts that had been in for a long time. It made a big impression on me, that here was an organization that was sort of committed to the betterment of one's environment and other humans with whom we share the planet, and a place to meet people and to become friends outside of the school context. It was a bit a contrast to school there—a departure from what we do every day.

LAGE: Did you go on to be an Eagle Scout?

WHEELER: No, I did not attain the rank of Eagle Scout, but I would have had I stayed there a bit longer, I think. I was on that trajectory.

LAGE: What were your family's interests? Did you have vacations in the outdoors?

WHEELER: We did. Actually, most of our vacations were to Florida, and that is another place where I had the opportunity to observe the dramatic impacts of development. My mother's sister, Hilda Newbauer Weideman, and her husband, had moved to Florida after they were married. And later my mother's mother, Marie Newbauer, moved to

Sarasota, actually to Siesta Key on the west coast of Florida. I remember that at every opportunity, school vacations, Christmas, we would drive from Long Island to Florida, which was then a very long ride given that there were no interstates yet. We would rent a very small cottage on the beach in Siesta Key, which was then and now idyllic. It's now been paved over, there are high-rise condominiums there, but it seems to me a really wonderful place, and quite foreign in that the vegetation was different and that the palm trees were always this high and that we had come to some place truly tropical.

LAGE: You were noticing those things.

WHEELER: I did, oh, very much so. And again because of the contrast with what I had become accustomed to in the Northeast.

LAGE: Do you think you were more sensitive to place than the average young person?

WHEELER: Yes. I just say that because I was fortunate to have been exposed to some different places, either by reason of scouting or my family's travels. Then as a junior in high school I had the opportunity to spend a summer in Europe as part of an organized program and visited, as most people do, the principal countries of Western Europe with a teacher from my high school who was our French teacher. So it was kind of an immersion course in French, but we spent time with a French family and I was struck by the landscape there. Particularly, and again I didn't think in these terms at the time but I have since come to appreciate, that what really I found remarkable was the concentration of development in small communities around a town center, and then the very sharp demarcation between urban development and the adjoining farm fields, and what a lovely landscape that was—what a wonderful pattern that was.

LAGE: So that might have come back to you when you were thinking of those things.

WHEELER: Oh, absolutely. I had thought later that Europe would be the model for effective land use planning in the United States because, and with respect to farm land particularly, because they had a rule that is quite sacrosanct relative to the protection of farming. They draw a hard line and protect everything that is on the farmland side of that line.

LAGE: Very different from us.

WHEELER: Very different. Very different. And you come to understand that there are reasons for that. The land use pattern and the landscape were developed in a time before automobiles. Roads were at least not as big or numerous. People needed to be close to where they were able to acquire the necessities of life, mostly by walking. But I also saw the Alps for the first time, and the Mediterranean and that side of the Atlantic. All that made a big impression on me.

LAGE: And you saw all that before you saw Western Europe mountains.

WHEELER: That is correct. That is correct.

LAGE: That's interesting.

WHEELER: That's a consequence, I think, of growing up on the East Coast. I just think that there is an orientation there to Europe that doesn't exist in the West.

LAGE: Did we put your birth date on the tape? I don't think we did.

WHEELER: Ah, no. January 10, 1942.

LAGE: A good year to be born.

WHEELER: A good year. When were you born? Same year?

LAGE: December '42.

WHEELER: There you go, so we are in that in-between generation, as they say.

LAGE: Not really a baby boomer.

WHEELER: No, right, right.

LAGE: I think that's important.

WHEELER: I do too.

LAGE: In outlook. Okay, what about schooling?

WHEELER: Went to public schools throughout. First in the public school system of Brooklyn. I guess until the third or fourth grade when we moved—might be even earlier than that. I do have a recollection of kindergarten in Brooklyn, and then first to Port Washington, and then to Huntington. The public schools. I graduated from Walt Whitman High School in Huntington Station, which is the town adjacent to Huntington in 1959.

LAGE: Any particular impact from teachers or—

WHEELER: Well, this French teacher, I would say. Her name is Jonte. J-O-N-T-E, Genevieve Jonte. A French woman who was intent on instilling in all of us who took her classes not only an appreciation of the language, but an appreciation of French culture, and so she organized this trip so that we could partake of that. And then I had two other interests during that period, which continue to this day. One was the whole notion of political history and social studies and journalism. I was on the newspaper at school and then published a little neighborhood newspaper with a friend— it was actually just a mimeograph with a friend of mine who has gone on to have a career in journalism named Terry Hughes [phone rings]. Can we stop? Just let me answer that and see if it is—?

LAGE: Sure, just let me unclick you [interruption]. Yes, we are back on.

WHEELER: Good, sorry for that interruption.

LAGE: That is quite all right. Let's just talk for a second and I will be sure we are on.

WHEELER: Okay. We are just making sure that the recorder is functioning properly as before.

LAGE: Okay. [laughs] You are a pro at this.

WHEELER: No. [laughs] I really am intrigued by the technology.

LAGE: Let's see. You were talking about journalism interests.

WHEELER: Right. I discovered fairly early that I was a reasonably good writer, enjoyed writing, enjoyed the reporting experience. I think that is to some degree a precursor of my interest in the law and having gone to law school. But the little newspaper was published with a friend, Terrence Hughes, who is now working for the newspaper in Baltimore. I guess you would call it a kind of a neighborhood gossip sheet. There wasn't much news to report, but we'd go around knocking on our parents' friends' houses and say, "Where have you been on vacation?" or, "Where are your children?" "What news do you have to share with your neighbors?" Then we would try to find little advertisers to cover the costs. We found as a mentor a wonderful woman who was then the publisher of the newspaper in our town, Grace Raigle was her name. It is wonderful that I am thinking about all this.

LAGE: Isn't it nice?

WHEELER: Right. She published a newspaper called—she didn't publish but she printed a newspaper called the *Long Islander*, which was a weekly in Huntington. She was kind of our guide in this. I think she probably mimeographed this little newspaper for free, maybe eight or ten pages every week, and sort of told us how to lay it out. So that was a wonderful experience because Terry became a lifelong friend. We learned sort of the rudiments, at least, of reporting neighborhood news, and at the same time we were also working on the school paper. He was an editor of the *Whitman Window*, which was the name of the newspaper at the Whitman High School.

LAGE: Now, were there any issues or politics in your paper?

WHEELER: No. No. This was completely apolitical. I mean, there might be some concern about a stop sign at an intersection that was not properly marked or the like, but nothing more serious than that. We couldn't afford to offend any of our very small readership.

LAGE: I have the disadvantage of asking you questions in that you are too sophisticated in all these issues to really maybe go back to your elemental feelings.

WHEELER: [laughs]

LAGE: I am just thinking of attitudes towards the city, your parents left the city—

WHEELER: Right. It was a strange bifurcation, actually. My father worked there. He had what I would call the city life, which I came to understand and appreciate later because I worked summers in Manhattan at jobs that he helped me to get. But you had a completely different existence at home in the suburbs and the commute, which was an hour, an hour and a half, was kind of the transition. I often thought and later asked whether he objected to spending that time.

LAGE: Was it on the train?

WHEELER: On the train. On the train, on the Long Island Railroad. And he said, “No, not at all,” that he enjoyed that. He had a set of friends on the train who were different than either his friends in the city and/or on the suburban end. That was a time when he would read, they would play cards, there was a bar car on the train. So it was a little society unto itself. I didn’t like it. I liked the city. We went as tourists, really, because we didn’t live there. I liked the city, but I didn’t like the commute. In the summers that I did it, I came to the conclusion that I would not want to do that. That is, I did not like the separation of home and work, and I didn’t like the time wasted on the train. That led us to conclude very early in our married lives that we would live in the cities where we could.

LAGE: Did you think, looking back, that the suburbs were as sterile of a place as they are kind of made out to be?

WHEELER: No, I didn’t think that. I could understand why they are so characterized. They’re just different. They’re not necessarily better or worse. They’re different. My childhood

was a happy one, as I have told you, I was exposed to very interesting experiences. I had a very good public school education. Going to the city was a big adventure; it was an added element, but not something that I missed daily. I never felt that I had been somehow deprived as a result of our growing up in the suburbs. To the contrary, I really felt as if I had been exposed there to a world that I would not have ever known had I stayed always in the city.

LAGE: Did your mother continue work?

WHEELER: She did. Not full time, but she worked part time at Huntington Hospital. That for her was ideal. She didn't have to commute. She was in our community, she knew doctors and nurses in the community, and that was part of her, their, social circle as well. Because my father's social circle from work, had there been one, would have been dispersed throughout the suburbs of New York, Connecticut, New Jersey, Westchester, you name it, so he didn't socialize with people that he worked with.

LAGE: Was your family always certain, and yourself certain that you were going on to college?

WHEELER: Yeah, there wasn't any question about that. First, because my father felt very strongly about it kind of in a bootstrap mode himself. My mother didn't go; she went to nurse's training, but not to college. So that was always our objective.

LAGE: Okay. And I may not have been listening carefully enough. Are you the oldest?

WHEELER: I am the oldest of three boys. I have two brothers, Jeffery, who is two years younger. He was born in 1944, and Stuart, who was the youngest, was born in 1952.

LAGE: So they are baby boomers.

WHEELER: Yes.

LAGE: And your dad was in the military?

WHEELER: He was, served in World War II. Actually, he was in the army but stationed at Fort Hamilton in Brooklyn, not far from where we lived then, but never got dispatched overseas at the time the war ended. He had had a deferment by reason of being a father until quite late in the war, and I guess then they were beginning to recruit even people that had those dependents. But he never did serve overseas.

LAGE: Okay, well, is there more to say about your boyhood, or should we move on to college?

WHEELER: Well, no, college would be an appropriate next step I would guess. Coming out of high school, I really didn't know quite what I wanted to do as a career. I had these interests that I had sort of begun to develop, and wasn't sure what kind of college even I wanted to go to. My father had a more conventional view that you should go to a big university where there is a wide array of offerings and a large student body. I think he was hoping that I might become somehow involved in the business world, and wanted therefore to find a good business curriculum. In the end, I ended up applying to three very disparate places without really much guidance, I am sorry to say. The process was not so rigorous as it is today, you know. But just sort of hit or miss, I decided on the University of Denver because of the appeal of the West, where I had not been, and a strong—

LAGE: Sight unseen—

WHEELER: Sight unseen, and a strong business program—my father's influence. Syracuse University, a more conventional Eastern university, quite large, and Hamilton College, which I had seen. A friend of my father's in his company had said, "You ought to take a look at this small men's school in upstate New York, because it is so unlike the other places that Doug is considering." My father was a little skeptical for the reasons that I just suggested, but wanted to accommodate the friend and they made arrangements for

me to be interviewed. It was love at first sight. I saw this place, and this was where I knew I would be comfortable. A small school, a liberal arts curriculum, very sort of elemental in the sense that I knew I would be exposed to lots of different things at an introductory level. Beautiful campus and a completely exurban environment. I liked the fact that Clinton, New York, is in the middle of nowhere in a very rural setting, surrounded by farms. On a hilltop in Oneida County, maybe ten, fifteen miles from the nearest urban settlement of any kind, Utica. But we rarely got there. I didn't have a car until much later, and there wasn't any other way to get to town. So that became my—

LAGE: Kind of isolated—

WHEELER: It really was. Well, the rural nature of the place and the fact that it was so different both from what I knew about the city and what I knew about the suburbs. This was yet another sort of ambience. The fact that you were therefore thrown into this community with other students similarly situated was very appealing. It turned out to be a wonderful experience.

LAGE: And was college as expensive as it was today?

WHEELER: Yes, yes. I mean, relatively it was expensive. It was a private school. I didn't have any scholarship assistance, so I am sure it was not easy for my parents.

LAGE: Had you worked as a teenager?

WHEELER: I had worked. Just the usual kinds of odd jobs. But in the summers while in college, I worked in Manhattan, as I said earlier, at jobs that my father had arranged for me. But nothing to speak of before then. I didn't have a little nest egg of my own.

LAGE: Tell me about Hamilton. Did it turn out as well as you expected?

WHEELER: It did, very much so. So much so, in fact, that caused me to encourage our children to go similar schools. Not to Hamilton, regrettably. Hamilton was and is sort of an idyllic “poison ivy” sort of school. Not quite the Ivy League, but very much with pretensions

of that sort. At that time it was an all-male school. There weren't more than two hundred people in our class, I would guess. The whole campus had but eight hundred people at the time I was there.

LAGE: Very small. And you must have started, what—

WHEELER: Started in the fall of '59 and graduated in '63. It's an interesting thing to look back on; this was a period of some considerable ferment in the U.S. owing to the Vietnam War. That barely touched us. Very little.

LAGE: That's early.

WHEELER: It was early. Very little consciousness of that. The consciousness I had there for the first time on the social issue was the black-white tension. I joined a fraternity that was not a national—the school depended a lot on fraternities for its social life because there was no other opportunity to socialize. I joined not a national but a local called the Emerson Literary Society that had very liberal forebears and attitudes. It was there that I was first exposed to what I would say was truly liberal thought, progressive thought, on issues including integration. We had a number of very prominent black, either fraternity brothers or classmates. One of them, Robert Moses, went on to become a very substantial civil rights leader. He was a couple years ahead of me.

LAGE: He was in this Emerson Literary Society with you?

WHEELER: Yes, yes. Drew Days, a classmate, is now a professor at Yale, had served in the Justice Department as assistant attorney general for civil rights during the Clinton administration. But this was the first time, having grown up in a very sort of closeted suburban existence—

LAGE: Which was mainly white, I suppose.

WHEELER: Mainly white and mainly conservative in political outlook or philosophy, not that people were ardent about it or argumentative, but that was taken for granted. These

were suburban Republicans. My first recollection of a presidential election was the Eisenhower-Taft race of 1952 against Stevens[on]— first the Republican primary. So '52, I was ten years old. But on Long Island, at that time, it was thought that this would be a Republican stronghold. My parents were Republicans. In fact, there was a little schism in the family, we're digressing here, because my parents were Taft Republicans and I was taken by the heroism of Eisenhower and what I had seen. And this was only, what, ten years after World War II, less than that after the conclusion of World War II. Here was this very dashing figure. But the only participation I had in the '52 election except to put bumper strips up or wear buttons to school or what have you, was a rally. Adlai Stevenson came to our town. I had friends who were supporters of his, classmates. We went to those rallies with them to see Adlai Stevenson in person.

LAGE: Were you impressed?

WHEELER: Oh yeah, very much. But not as much about him or his philosophy, as about the political process.

LAGE: Seeing a presidential nominee.

WHEELER: I had had a lifelong interest in politics and the public life, as a result of that. Not as a result of that, but as a reflection of that.

LAGE: Were your parents intensely interested in politics—

WHEELER: No, no, no. I was much more interested than they were. And I would get special dispensation to stay up at night to watch the political conventions. They would watch, but not with the same degree of interest.

LAGE: Yes. Did you ever sense, back to your childhood, that part of this move out to Long Island was a move away from minority incursion in the city?

WHEELER: No, I don't think it was so characterized. It might have been subconscious. But everybody wanted a single-family house. I mean, I grew up in those early years in an apartment building. I thought that's the way that people lived. But everybody wanted a house and a lawn, access to the beach, you know, the things that everybody likes, blacks and whites. Now, it is probably true that the schools were better there, and the crime situation was negligible. That was all a motivating factor, but fundamentally I think that at least in the case of my parents, and I think most of those people in the postwar years, the motivation was just to improve the quality of life for themselves and their children. They were on a fairly satisfactory economic trajectory and this made possible a different lifestyle.

LAGE: Okay, well, let's get back to the Emerson Literary Society—

WHEELER: Back to the Emerson Literary Society. Lived in a dormitory for the first year as was required. The Dunham dorm—still there. It was then the first year. Thrown in with people the likes of which you don't see until you get to college. All kinds.

LAGE: Well, how diverse was it, as a small school?

WHEELER: Not all that diverse; students were mostly from the Northeast. The people I found most appealing, of course, were those from other parts of the country, because I didn't know Southerners or Westerners.

LAGE: I remember one person from my high school—and I was also that same class, but I can't remember his name—who went to Hamilton. And it was—none of us could understand why Hamilton. He was from Redondo Beach.

WHEELER: [laughs] Yeah, right. Right. What would cause a Westerner to go there?

LAGE: And where is that place? So maybe he was one of the ones you knew.

WHEELER: You know, it could have been Howard Gilstrap. I am trying to think of the Californians who I knew at Hamilton.

LAGE: If you said his name, I would know.

WHEELER: But very severe winters. I hadn't experienced that before. A beautifully landscaped campus, including a garden, the Root Glen, which appeals to me still. But just a nice place to be. Almost immediately, I became convinced that I wanted to major in government. It wasn't called political science, it was called government. We were told it wasn't a science after all. And journalism. I became involved with the newspaper there, and debate. Again, it was probably a precursor of my interest in the law. But all those opportunities were available in even that small place.

LAGE: And you mentioned the exposure to Robert Moses and Drew Days and people like that. Did your consciousness—

WHEELER: Tyrone Brown, another African American who went on to become very prominent. He is a communications lawyer in Washington. That was—

LAGE: Did it affect your thinking?

WHEELER: Oh, absolutely. Absolutely. We heard tales of their marches in Mississippi and the struggle for civil rights. I had known none of that. I was completely isolated from or oblivious to it, so to hear of the struggle first-hand from people who had been there or even from students who were going there at the time was really quite a remarkable experience.

LAGE: Was the campus itself, did it have a liberal tone?

WHEELER: No. I would say it had a conservative tone. Again, probably apolitical would be the best description. There just wasn't a lot of talk about these things. So for most of us, we would live fairly conventional lives and in fairly ordinary settings. To see people who were doing these extraordinary things was really quite an eye-opener.

LAGE: And what happened from there?

WHEELER: Well, so I moved from the dorm after the first year, lived in this fraternity house on campus and made very good friends there, lifelong friends there. My best friend there was Andy Kepler, who is a schoolteacher now in Pennsylvania, but we roomed together there for three years in this fraternity house. And lots of others, of course. As a result of my major in government with a minor in economics, I began to think that public service would be of interest to me. I wasn't quite sure how to go about doing that. I wrote a paper in my senior seminar, on Long Island's first congressional district. It was where we lived. The congressman was then a fellow named Stuyvesant Wainwright, who had become known to me just as the representative, but I went to Washington in a semester in Washington program. Was overwhelmed with the opportunity I saw there. The schools had arranged for us to meet various people. I remember meeting Jimmy Hoffa, for instance. But all manner of folks involved with public policy, including this congressman. It was remarkable to me that there was this whole world and that it related pretty directly to what I was studying in school. I did a paper on Wainwright, as I said, including a poll that I conducted by mail. I got the registration records for that district, and I picked a representative sample, all under the guidance of my professor, and asked questions, fairly elementary questions. My father had introduced me somehow to a pollster in New York. A guy named Lubell, Samuel Lubell, who also guided me on sort of the structure of a questionnaire. So I wrote the questionnaire, tabulated the results, wrote about the attitudes of people on Long Island to goodness knows what.

LAGE: [laughs]

WHEELER: It became a very interesting introduction to sort of political life. I got to know the congressman. One other extraordinary thing happened during that period. I had another paper in one of my courses on the vice presidency, and through Robert

Haldeman, who was a White House official in the Nixon administration who had come out of—

LAGE: Later.

WHEELER: Well, that was—Nixon was then, let's see, vice president. That is right. That is exactly right. So Haldeman was then in the advertising business but had been advising Nixon. I'm not sure how they had that connection, but my father had said, "I have this son who is just fascinated by the vice president. He's writing a paper," and Haldeman had said, "Would he like to meet the vice president?" And my father thought that would be a terrific opportunity. I remember that on the occasion of a Nixon visit to New York City, at the time that he and Nelson Rockefeller, who was then governor, were sparring over who would be the Republican presidential nominee in '58, I guess that would have been because I graduated from college—

LAGE: Or would it have been—

WHEELER: No, no, it would have been later. It would have been '60, because that is right, that's right. That's right. Because in '59 I left college. So it would have been '58 or '59.

LAGE: Fifty-nine you entered.

WHEELER: Yes, '63 I left. The election was in—

LAGE: So while you were in college—

WHEELER: I was in college, yes. [laughs]

LAGE: It was the end of Nixon's vice presidency—

WHEELER: Yes. That's right. That's right.

LAGE: And his running—

WHEELER: For governor out here. Right?

LAGE: No, no, no. First he ran for president against Kennedy and lost. Then he came out here.

WHEELER: That's right. Anyhow, he was vice president. We arranged to meet. There was an arrangement to meet in the Waldorf Astoria in New York, and there was some controversy going on, it was between—I guess it was for the nomination in '60.

LAGE: It probably was.

WHEELER: Between Rockefeller the moderate, and Nixon the more conservative candidate. This fellow Haldeman, who is later involved in the Watergate business—I never met him, he figures later though, prominently—arranged for me to meet him, and I show up sort of unbidden or unannounced saying I am here to see the vice president, in a big suite with all the security. I am ushered in, there he is. And I gave him my paper. That was the whole point, “Here is my paper on the vice presidency, sir. I hope you like it or agree that I have come to the right conclusions.” He said, “Oh, thank you very much. What are your studies?” and they had a picture taken. So it could have lasted five or ten minutes. But as I left, there was a whole gaggle of photographers saying, “Well, how did you get in to see him? What did he say about the battle with Rockefeller?” All of this. I said, “We didn't talk about that.” But, as a result of my having been the only person to see him that day, or that they had talked to who had seen him, there was a picture in the *Daily News*. This was a big deal. But that too kind of whet my appetite. This is pretty exciting stuff.

LAGE: I'll say, yeah.

WHEELER: I then decided that the way to pursue my interest in government was to go into the Foreign Service.

LAGE: Oh.

WHEELER: And I took the Foreign Service exam, which has two parts; you may know, a written portion and an oral interview. At this time, let's see, that would have been—when did I graduate? [laughs]

LAGE: Sixty-three. [laughs]

WHEELER: Sixty-three. I was twenty-one, passed the exam, was invited to do the oral interview, and failed the oral interview.

LAGE: Is failed really the right word?

WHEELER: Well, I don't know. Didn't make the grade or whatever. [laughs] Afterwards you get a little critique. I remember at the time being nervous and all, but I thought that I had done fairly well, actually.

LAGE: And you had been on the debate team?

WHEELER: I had been on the debate team. I knew how to present myself. I had had, after all, met the vice president! But they had asked some fairly searching question about my own philosophy, about things that I really had not developed all that well at that point. Afterwards, in the critique that I got back, they said in effect that I was too immature, that I hadn't had the breadth of experience or the intellectual development to warrant an appointment to the Foreign Service. So that was a blow, but I don't remember at the time being really devastated by it. I knew there were other options, this was something that I would have liked to have done, it seemed to be an avenue to public life, but there must be other avenues, and that is what led me to think about law school.

LAGE: So all this, thinking about law school, didn't really happen until you finished college.

WHEELER: That's right. I never thought, I never laid out that I would go to college and then go to law school. At the end of undergraduate school, it was clear you had to have some further—either you got into the Foreign Service, you got a job that would lead you in that direction, or you took some further education.

LAGE: Now, those were the Kennedy years by the time you—

WHEELER: Yes. I remember those debates—

LAGE: The debates, but also—

WHEELER: I was—

LAGE: And also a call to public service.

WHEELER: I was inspired by that to some extent, but I already had that interest. Right almost from that first semester in Washington experience, that would have been, well, I was either a freshman or sophomore at Hamilton. I was pretty—

LAGE: Excited?

WHEELER: Excited.

LAGE: [laughs] Great. So did you have time off then, after—

WHEELER: No.

LAGE: You went right on to law school.

WHEELER: I went right off to law school, which was the practice at that time. There wasn't this notion of a hiatus. The question was really where to go to law school. I was influenced very much by the arrival on campus by a quite charismatic guy, a flinty New Englander named Elvin Latty. Dean Latty of the Duke Law School, who was then intent on taking what was essentially a regional law school and making it into a national school. Now, people said, "Well, you must have been interested in the fact that Nixon had gone there." That didn't really make much of an impact. I was then, having met him, sort of a fan of Nixon's. I was following his career and I had written about him, but it wasn't a big factor.

LAGE: When you wrote about the vice presidency, were you writing actually about Nixon?

WHEELER: Not about him specifically, but about—yes, but sort of as a modern manifestation of the vice presidency. It was a historical account of vice presidents, their responsibilities, the pitfalls of the job and the like. It sort of ended with his service as vice president. So it wasn't a focus on Nixon necessarily. But so, Dean Latty drives up from Durham, North Carolina, where I had never been. I had never really lived outside

out the Northeast, and says, “I want to bring qualified people from these schools around the country to do”—and again, a small school, which appealed to me. I had loved that intimacy of the Hamilton experience. I wanted a comparable law school, and the Duke Law School was, if anything, a little bit bigger than Hamilton College. But small. Four members of our class, Hamilton, ended up going to Duke Law School, which is hugely disproportionate.

LAGE: This dean must have made quite an impact.

WHEELER: Yes, he was a very, very impressive guy. Very circumspect, not a warm personality, but a very persuasive person. He said, “You’ll come here and you will have an experience that you can’t have anywhere else.” I must say, I was intrigued by the sense of place again. About North Carolina. Believe it or not, the first time there it looked completely foreign to me. I just could not believe how different it was from than what I had been used to, either in the suburbs of New York or upstate New York. So I ended up there in the fall of ‘63.

LAGE: Did you go and visit that campus before?

WHEELER: No.

LAGE: Just sight unseen you decided?

WHEELER: Decided sight unseen. No, people just didn’t travel around. It wasn’t like you would take these college tours. The trip to Hamilton with my father was the only one of those undergraduate schools that I looked at. That was a big deal to drive five or six hours to upstate New York and to stay overnight. So, no. But I piled my stuff in the car and drove to Durham, North Carolina.

LAGE: Did the law school have a public service or—

WHEELER: No.

LAGE: Anything that would prepare you for government service itself?

WHEELER: No, it did not, except that almost everybody there had some interest, I think it is inbred in lawyers to think about public service or about politics. You know, the course work, I took course work there that would have led me in that direction, particularly including constitutional law, and advocacy, moot court. The kinds of skills you would want to have in public service, or would hope to develop. I did take optional courses in those areas where I felt there might be some applicability.

LAGE: So that was what you were prepping for.

WHEELER: I thought public service. The funny thing about law school is that you are not encouraged to think about careers other than the practice of law. That is, it is a trade school in a very real sense. Even today I think this is a problem in law schools because you may come with the idea that this, and I did certainly, that this was going to be a preparatory education. It was not a skill set that would lead me to be a lawyer necessarily, but a set of skills that would serve me well in whatever I decided to do, probably in public service. But, it is inculcated in you, and I fault the law schools for this, and am trying to do something about it at Duke right now, this notion that you are not really a successful lawyer unless you practice law. Now, in the big law schools, you are encouraged to practice law in the right city for the right firm, even.

LAGE: At the right salary.

WHEELER: At the right salary. So I didn't—it was only toward the end when I began to think, well, gee, I am not a lawyer if I don't practice law. I hadn't thought about going to a law firm, where would I go? What do I do about this interest in politics and government?

WHEELER: Much less career-oriented.

LAGE: Yeah, exactly! Exactly. So as it happened, I encountered a Duke lawyer who had graduated a couple of years ahead named Alton Murchison. I was in a quandary,

really, at the end of—most people had set up their jobs, but I wasn't sure yet what I wanted to do. Even at the middle of my third year at law school. Murchison said, "Look, why don't you come to Charlotte and join this little firm where I am now a partner. It is called Levine, Goodman and Murchison, and you will get a taste of it. If you like it, fine. If not, you can do something else. But this is a good setting. We need young lawyers. You will have more opportunity in a small firm in a small town than you would have in a big firm." Moreover, no big firms were knocking on my door, exactly, because I had been sort of ambivalent about this. One side note about this, [laughs] that reminds me. I was recruited while there to go to work at the Brown and Williamson tobacco company. In Louisville, Kentucky. Again, it wasn't the tobacco company that appealed to me, but that this was in Louisville, Kentucky. They flew us there on a recruiting trip, Heather and I. We were married between my second and third year.

WHEELER: In law school?

LAGE: In law school.

WHEELER: And they flew us to Louisville and they entertained us royally, and she was taken by the women to look at the lovely houses of genteel Louisville, and I met the corporate—the legal department. It appealed to me no end that you would have a pack of cigarettes on your desk every day as a perk of this job. I was smoking at the time, so that sounded pretty good. The salary was good. The business setting would be, I thought, more interesting maybe than practicing law. I didn't get that job. And Heather said, "It's a good thing, because look where you would have been had you been working for a tobacco company all these years."

LAGE: You might have been dead!

WHEELER: That's exactly right! [laughs] That is her point. Although I did remind her that they did just sold out to some huge conglomerate. I might have had a lot of stock and had been fabulously wealthy. Well, but that is the way things turn out.

LAGE: You seem interested in new places, not just a place.

WHEELER: Well, new places. Different places. Right. I had come to like North Carolina a lot. That exposure had quite an impact on me. I liked the fact that people came from a different sort of value set. I like the topography. The coast there was even to me more spectacular than what I had known in New York. The mountains were close at hand. It was really quite an—and people talked differently. The food was different. It was an adventure to be in North Carolina. So much so that we decided to stay there after graduation. Heather—for a couple of reasons—Heather had gotten a very good job with the North Carolina Fund, which was one of the first of Lyndon Johnson's anti-poverty programs. It was run by Terry Sanford, or supervised by Terry Sanford. He was then a very progressive governor of North Carolina. It gave her a chance to travel around the state, and she said, "There is very real opportunity in this place. There are people who are truly disadvantaged, black and white alike." You could see that there were opportunities for growth and development for a young couple who were interested in public service and in making their way into it.

LAGE: Let's talk for a minute about Heather. Where did you meet her and what was her background?

WHEELER: Oh, this is great! This is great. We met through mutual friends. She grew up in a town, actually in the same town, but went to adjoining high schools. All during high school I didn't know of her.

LAGE: So she grew up in Long Island.

WHEELER: Exactly. Same pattern, actually. She was born on Long Island, however, but her parents had made the same progression from Manhasset closer in, actually right next to Port Washington, where I was, to Huntington. So we had a circle of friends that included mutual acquaintances, but we didn't know each other in high school, or until we graduated from college, really. And she had been dating a fraternity brother of mine. She had come to a weekend at Hamilton. I'd met her. But I had known of her. We talked. We hit it off. She was likewise interested in public policy and government, happily, so we had that in common. Our first date was after college, the summer between college and law school at a rally for John Lindsay, who was then the mayor of New York, but thinking of running for Congress, or maybe he was then running for Congress. A liberal Republican. Had come to our town, and we both thought that this would be a really interesting thing to do. To show you something about our orientation. [laughs] But we barely knew each other. Then, that was a nice thing to do. You wouldn't have to talk too much; you would listen to Lindsay, and compare notes. She had been accepted to Fletcher—she went to Tufts as an undergraduate and had been accepted at the Fletcher School of Law and Diplomacy, which is a graduate program in foreign affairs jointly sponsored by Tufts and Harvard. So she got her master's in one year. After that first summer together, we were pretty good friends, but she went off to graduate school, I went down to Duke. She came to visit on occasion at Duke. After her first year, she got her master's from Fletcher and went to work at the Department of Commerce in Washington—both of us knew that we were kind of headed to Washington—as an economic analyst. I didn't think it was all that interesting, but she thought it was fascinating. She admired Jacqueline Kennedy. I mean, that was the time when women were being inspired to be cultured and to have careers. She was taking advantage of that. Liked Washington, liked living there. But, I

persuaded her after a year that she—she was there for a year, worked in Washington for a year. I then had put two years of law school behind me; we were married between the second and third year in a little church on Long Island, not far from where we had had that first date, in Cold Spring Harbor. She came to live with me, obviously in Durham, for that last year of my law school.

LAGE: Now, did she have a Republican background?

WHEELER: No. No. I couldn't tell you to this day whether her parents—her mother is still alive—whether they were Republicans or Democrats. But she was not as ardent a Republican as I. Even today. She is working right now for a Republican congressman, but she could just as easily, and has, worked for Democrats.

LAGE: Both sides of the aisle. Was there any—things warmed up on college campuses during your time at Duke, although it wasn't at its height, it was '68 that everything really—

WHEELER: You know, when I first encountered it really was after we came to Washington.

LAGE: So there wasn't much happening at Duke?

WHEELER: No.

LAGE: Was there much—

WHEELER: And I think less so there than at the undergraduate school. Less in the law school than in the undergraduate school. There were some foment on the campus at the undergraduate school, but we were apart from that, physically and otherwise. And married, starting to think about a household and kids—

LAGE: But you hadn't started your family?

WHEELER: No, no.

LAGE: So, let's see, you took the job with the small firm.

WHEELER: Took the job with the small firm in Charlotte and immediately, because this was still there in the back of my mind, what I wanted to do, I was recruited by the Republican party of Mecklenburg County to run for the state legislature.

LAGE: Oh, so you had been thinking about not just—

WHEELER: I hadn't really been thinking about it at all, because it seemed implausible to me. First of all, I was a brand-new lawyer, young, brand-new to the town, a Republican in a state which was then overwhelmingly Democratic. People tend to forget that the South was then solidly Democratic. But the Republican party was beginning to think that maybe it ought to develop a Southern strategy, Nixon called it. This town of Charlotte was the biggest city, the most cosmopolitan part of the state. So there was the beginning of the two-party system, and there were a couple of Republicans in the legislature. But there were seven seats and they only had two candidates. So they had to go out and find five more candidates to run a full slate against the dominant Democrats.

LAGE: And probably not that much expectation that you would—

WHEELER: So I went to the firm and I said, "Gee, this seems too good to be true, but I'd love to do it, but how can I start a practice and campaign for the state legislature for the same time?" They said, "This will be perfect for you, because this will expose you to the community, make you better known. You will not win probably, but you will become a figure of note in the town and people might come to you to do their legal work." So they gave me their full blessing, and they were Democrats, all three of the principals in this firm were staunch Democrats, and one of them was quite politically active and said, "Look, even though you are on the other side of the aisle, this is going to help the firm and help you. There is no downside to this."

Umm—[laughs] in the midst of it, so I took it on with quite considerable enthusiasm. This was really something I wanted to do; it seemed unbelievable that I was going to have this opportunity at age twenty-four or whatever. Heather took to it as well. We were campaigning together. There was a primary, but it was a nominal thing because there were only seven candidates for seven slots. Won the primary, and then went on to the general. But this was the election of '68, and in the middle of that campaign we had the assassination of Martin Luther King. And I was coming out of law school, draft-deferred. I had been draft-deferred all through law school. The firm insisted that I join the National Guard as a way of not being drafted. So I was in the North Carolina Army National Guard, and was there as a consequence of some assistance from the firm, because at the time it was not an easy thing to do, given the draft and the imminence of service in Vietnam. But I was called up, in the midst of the riots, in the midst of my campaign for the legislature, and while trying to build a law practice. I was actually first served notice that my draft status was such that I would be called to Vietnam, then the arrangement was made that I join the guard. As a guardsman, I was activated to do riot control duty in Charlotte at the time of the King assassination. And I said, "This was unbelievable, this was the worst possible thing to have happen to me." I had visions of bayoneting my constituents, you know. [laughs] Away from the practice, away from Heather, away from the campaign, we were bivouacked at a National Guard center with a barbwire fence around. Heather would come out at night and pass a little packet of food through the fence. That was the only contact I could have with her. That went on for however long the emergency lasted, because there were riots in Charlotte. Nothing like those in the big cities; it never turned out to be as bad.

LAGE: But you did have unrest.

WHEELER: There was unrest. It is an aside, but my view of the black-white situation was influenced tremendously by that experience in North Carolina. I had seen sort of the activist's part of it in college as a result of the experiences of those people who had gone to the deep South. In North Carolina, the frictions didn't seem as intense. There were these sit-ins, the Greensboro effort. There is no question that blacks were not fairly treated there, but day to day, you saw more blacks and whites intermingling in daily life than I had ever seen in New York, for instance, or in the suburbs certainly. Or in upstate New York. So it struck me as being a much more manageable situation. So while there was this unrest, it wasn't the kind of hostility that you saw in Washington or Detroit or New York.

LAGE: Was the National Guard integrated?

WHEELER: Integrated? Oh, yeah. And that was an interesting experience, as you can imagine, because I had had no previous exposure to the military. This was my first. And then to be called up. I thought, "Well, this is a weekend thing, you know." So it was disruptive in a lot of ways.

LAGE: Did you actually have to—

WHEELER: No. They never did put us on the street. We were sort of held in reserve there for, I guess it must have been a week or ten days waiting to see if there would be need for our services. When we were released, I said, "This is—I don't want to do this ever again." Not that I wasn't prepared to do my duty, but this was not the kind of duty that I had anticipated. I managed then to become enrolled in the navy Judge Advocate Generals Corps. That was a complete coincidence, but it was an immediate elevation from a private in the army guard to lieutenant in the navy, just by reason of going to Raleigh and signing up. You had to make a six-year commitment. It extended my

military obligation by several years, but it was much more appropriate to my training as a lawyer and the rest.

LAGE: And that wasn't something that your firm had to pull strings?

WHEELER: No, no, no. I had a friend, a fellow lawyer, a young lawyer, who was in this unit. He said, "There are some openings in the unit." I had said, "This is so distasteful, being in the guard and having to walk around, quarantined, looking forward to civil unrest." I said, "This is not what I want to do." And he said, "Well, why don't you go over and ask them in Raleigh if you could have one of these openings?" And happily, I did get one. So I served then for six years in the naval JAG reserve.

LAGE: That gave you protection from the Vietnam War.

WHEELER: Yes.

LAGE: From the draft.

WHEELER: Yes.

LAGE: Did you have feelings about the war?

WHEELER: I was generally supportive of the war. Again, because of Nixon, I thought, you know, I thought that we probably maybe shouldn't have gotten there in the first place, but once there, we ought to pursue this to its conclusion. I certainly believe that there was a threat in the Communist menace. It seemed to me that we had a role to play as sort of a guardian of democracy and freedom. And, it wasn't really brought home to me how serious this was until that first year in Washington when there were riots in the streets of Washington about the war. Working at the Department of the Interior, we were told that we had to spend the night in the building on cots that they had brought in because the streets would be impassable and the riot police were out in force and people were swarming. It was a pretty contentious time. I came to see that there was something to

the other side of that argument, but I was then part of the establishment. I was part of the Nixon administration and it was expected that you would be supportive.

LAGE: I would think so.

WHEELER: Yes.

LAGE: Well, we haven't gotten you there yet.

WHEELER: No, no, no. Well, so I am in Charlotte. I lose the election. You run at large, there are seven seats and there were fourteen candidates, and I finished eighth. So I thought that was a credible showing.

LAGE: You came pretty close.

WHEELER: That's right. But it certainly whet my appetite. I did make lots of friends around the community. I came to understand the issues, none of which were environmental particularly, but it was very exhilarating. The newspaper said, "Here is a promising young person. We ought to keep our eye on him. He didn't win, but you know, he may have something to offer the community down the road." So this was all to the good. I thought that this was a good—but for that interregnum in April when the riots occurred, it could have been fine. Heather was a little less enthusiastic about it. She was a dutiful campaigner—went to the polls and handed out the brochures. We had to go raise money. I called my grandmother, and she sent me \$500. But that part of it was not particularly appealing. The campaigning part. We lost, and I settled back into the law practice. And lo and behold, I get a call from Haldeman's office in Washington, after Nixon had been elected. This was that same election, 1968, right?

LAGE: Right.

WHEELER: Right. "We want to bring young southerners to Washington as part of the southern strategy." "Well, I am hardly a Southerner." I said, "I have been here by reason of law school for three years, and barely two in Charlotte as an attorney." And my exposure

to the law practice didn't leave me particularly excited about the prospect of life in the law. But they said, "We would like you to come up and interview for jobs in Washington. We would like to bring new young people to town who are Southerners."

LAGE: Brooklyn boy goes to Washington. [laughs]

WHEELER: [laughs] That's it, I was from Brooklyn! This is right. I said, "Well, fine, who am I to argue with that?" And I went and interviewed around, as they do. They say, "Well, here are the places where there are openings. The newly appointed lawyers are staffing up." I went to two or three different places, but the place that I liked the best, and it had largely to do with the personality of the person who interviewed me, was the Department of the Interior. Frank Bracken had been named the legislative counsel, himself recently arrived from Muncie, Indiana, where he had been involved in the Ball family enterprise, a supporter of the president. His job was a political appointment. The secretary of the Interior was Walter Hickel, who was something of a controversial figure, a construction company manager and developer from Alaska. Bracken said, "Would you like to work here? My job, I am the legislative counsel. You could be a member of my staff and we would be responsible for the department's legislative program, drafting the laws, talking with constituent agencies, commenting on bills that are introduced, preparing testimony." It sounded perfect to me. And the salary was all of \$16,000.

LAGE: How did that \$16,000 measure up?

WHEELER: Well, it probably was a little bit better than what I was making as a beginning lawyer in Charlotte. Not much, but you know. And Heather, who had left Washington to come to North Carolina, kind of liked North Carolina, but to live in Washington, that would be something special, said, "I think we ought to do this."

LAGE: Had you taken anything, I know there really wasn't environmental law then, but had you taken anything about land use?

WHEELER: Nothing. Real estate. I took the fundamental property course, which is a first-year requirement in law school, and it was interesting. It was the course that I liked the most, but it didn't relate at all to the environment. It was the Department of the Interior that provided that orientation for me. Looking back on it, some of these earlier experiences as a child growing up in that suburban setting were also influential.

LAGE: So you liked Frank Bracken, and did you meet—you mentioned Walter Hickel, but did you meet him in the course of the interview?

WHEELER: I did later on, but not in the course in the interviews. I never interviewed except for Bracken. At that time, the General Counsel's Office was different from the Legislative Counsel's Office. So ours was much more to do with Capitol Hill and the president's legislative program as manifested by the Interior programs. But it was the perfect time to be there. I didn't know this, I could not have imagined it. It had very little to do with my decision of where to go. I could have gone to the Federal Trade Commission, or to the Department of Labor, as I remember the other options that didn't appeal to me. I liked Bracken. I kind of liked what I knew about the Department of the Interior, but it was very little at the time. But lo and behold, this era was to become the advent of modern environmentalism.

LAGE: Absolutely.

WHEELER: To have been there at that time was a life-shaping event, as it turns out.

LAGE: So did you have anything to do with the NEPA [National Environmental Policy Act] legislation?

WHEELER: It turns out Nixon, the crafty politician that he was, understood certainly before most Republicans that this was going to be an important issue politically. He was influenced in this by Haldeman and by the lawyer from Seattle who was a land use lawyer—

LAGE: John Ehrlichman.

WHEELER: John Ehrlichman, who had persuaded him that he ought to get ahead of the curve on this environmental issue. I think Ehrlichman had a true environmental sensitivity. Haldeman did not, from what I could tell. He was a political operative. But remember, this was my father's friend who had worked with my father in the advertising business. After he made that first introduction, I never saw or heard from him again. As far as I know, he never knew that I came to Washington or was working at the Department of the Interior. So that was the end of my connection with him there. Probably fortuitously.

I saw at work their interest in environmentalism as a political issue. Nixon and the Democrats were competing for superiority in dealing with these issues. We were charged very early with writing the president's environmental program. We at the Department of the Interior, as part of a team within the administration. Interior had its own programs that might lend themselves to this initiative. It was being coordinated by the Council on Environmental Quality [CEQ], which was the brand-new creature of NEPA. People forget that NEPA, the National Environmental Policy Act, established not only the requirement of impact statements, but also this organization whose job it was initially to monitor the development of impact statements and to make sure they were in compliance with the law. Also, to act as a counselor to the president on environmental issues. The first chairman was Russell Train. At Interior, Hickel was very suspect to the environmentalists when he arrived in Washington because he had come from a development background. But early in his tenure, I guess

it would have been '69, there was the Santa Barbara oil platform blowout. He flew out and came back saying, "Hey, we have got a problem in this country." His sensitivity to that issue coincided with the perception at the White House that this was a political bonus, or a positive initiative. Senator Muskie was then vying for prominence, hoping to be a presidential nominee in the next election and taking hold of the issue for the Democrats. NEPA had been enacted just as I got to Washington in the fall of '69.

LAGE: So you didn't have anything to do with it?

WHEELER: No, not in the development of NEPA. It became effective on January 1, [19]70. Because of the concern about Hickel, I am wandering a bit here, but because of the concern about Hickel as perhaps not sufficiently environmental, given the negative reaction to his appointment, Russell Train was brought from the tax court to be his undersecretary. And he had impeccable environmental credentials. As soon as it became clear that Hickel was going to be okay on the environment, largely as the result of his work on the blowout and his own professed concern, Train was moved from Interior to become the first chairman of the Council on Environmental Quality. It was there that Train organized what became the president's environmental programs in '71, '72, '73, '74. If you look at the reports of the Council on Environmental Quality, which embodied the president's proposals, they are as far-reaching as any environmental program, as any that have ever been proposed by any president, including, people forget, the proposal for national land use policy, which today would be an anathema. You couldn't even get a Democrat to argue that we need a national land use policy, but Ehrlichman had felt very strongly about that.

LAGE: Did Train, did you have any connection with Train?

WHEELER: Yes. Yes. Yes, Yes.

LAGE: Even though he wasn't part of the Department of the Interior?

WHEELER: No. He was the coordinator at CEQ. He had as his personal staff assistant Bill Reilly, who I came to know then for the first time. They have been lifelong colleagues in a number of different settings, both in government and out. So Reilly was charged with shaping the program. He would have to go to each of the departments for its contribution to the president's program, and would call upon Frank Bracken or his counterparts to develop initiatives that were reflective of the department's responsibilities. Then they would be bundled together as the president's program and sent to the Hill. That was the process, along with, you know, Democratic support, that resulted in a plethora of environmental legislation enacted post-NEPA: the Wilderness Act the Endangered Species Act, the Wild and Scenic Rivers Act, the Clean Water Act, the Clean Air Act, Trails Acts, legislation that is today the foundation of the country's environmental law and policy.

LAGE: It's a really interesting, I mean, I know that Nixon's administration is looked on kind of nostalgically by environmental groups. [laughs] And you have a lot of really fine people there.

WHEELER: There were great people there. My time at Interior was, until I came to Sacramento, the most rewarding and enjoyable experience I had had. First of all, I was young, very impressionable, I loved being in Washington, I came to understand and like these issues a lot. Worked with very good people, but while I worked for Bracken, Hickel was fired for being too overtly critical of the Vietnam War.

LAGE: Oh, was that it?

WHEELER: And sent packing. This was quite a turnaround, because here was the guy everybody had said, "Hickel is an Alaska renegade." Was the Secretary of the Interior.

LAGE: Did you ever get a sense of him?

WHEELER: I interacted with him only a little bit. Never on the war, but in the course of putting this package together, but we overlapped there only about a year or a year and a half. He didn't last very long.

LAGE: So he spoke out against the war.

WHEELER: He had a staff person who did, and it was thought that he was encouraging the staff person to be more outspoken than he ought to be under the circumstances. So he was sent packing and then he was replaced by Rogers Morton. The occasion, though, of the dismissal of Hickel gave cause or rise to an unrelated series of changes throughout the department. Not, it seemed to me, not because these other people supported his views or didn't on the war, but because the White House wanted to replace some people who weren't working out anyhow. One of those was Leslie Glasglow, who had the job as assistant secretary for Fish and Wildlife and Parks, which was the principal environmental program. But he was a well-intentioned—[interruption]
—All right, we are still here [laughs]. That was the maid coming to clean our room. A well-intentioned professor from LSU, I had in my capacity in the Legislative Counsel shop gone to Capitol Hill with him. You could see he was uncomfortable in the setting. He couldn't really present the program all that well. He was an academic. So for whatever reason, he was among those in this housecleaning who left with Hickel. His replacement as assistant secretary was a larger than life figure, Nathaniel Reed, from Florida.

LAGE: I am going to stop you right there, because I am going to change the—

WHEELER: Go ahead, go ahead.

LAGE: I don't want to get in the midst of your story here.

WHEELER: All right, all right.

[Begin Minidisc 2]

LAGE: Okay, we are recording on tape two, continuing the interview with Doug Wheeler. All right.

WHEELER: Enter Nat Reed in the, this would have been in 1972. Just ahead of the '72 election.

LAGE: Oh, okay. Because Hickel left in '70.

WHEELER: Did he? Was it '70?

LAGE: That's what I—

WHEELER: Seventy or '71—

LAGE: But anyway—

WHEELER: Somewhere in there, Glasglow leaves. I was still then with Bracken in the Legislative Counsel's shop. I had been promoted to assistant legislative counsel and my responsibility within the department, which has vast programmatic scope, was this particular area, Fish and Wildlife and Parks. So it included the National Park Service, the U.S. Fish and Wildlife Service, and what was then the Bureau of Outdoor Recreation. So there were three key agencies within the department that constituted its environmental program, or element. In comes Nathaniel P. Reed, this very tall, very outspoken, very elegant environmentalist from Florida. Citizen activist. He'd served as a dollar-a-year man as the first environmental secretary in Florida for Claude Kirk, who was a Republican governor. Made a big name for himself and for Kirk, and I am sure, contributed substantially to the Nixon campaign. When Glasglow was let go, Reed arrives. I was exposed to him initially because I was his legislative advisor. I came to like and admire the guy enormously. He came to work on a bike to demonstrate—at a time when this was really far out—to demonstrate his commitment to energy efficiency and conservation.

LAGE: What was his background?

WHEELER: Well—

LAGE: Was he a Floridian?

WHEELER: Well—it is a great story. His father, Joseph Verner Reed, had made a fortune in mining in Colorado, came to the East Coast, invested that money in the post-Depression period in stocks and other businesses, and just became very wealthy. And Nat grew up in Greenwich, but his father had wintered in Florida in this little town called Hobe Sound. Actually, they bought Jupiter Island, which was then just a little spit of land in the Intracoastal Waterway between the mainland and the Atlantic Ocean. They built at Hobe Sound, or on Jupiter Island, a winter colony for some of the most prominent families of the Northeast. It is today an unbelievably lovely and secluded place. So Nat came to Florida first as his father's son to winter there. It was a place where the Reeds would invite only their friends. It is said that Nat's mother, Permelia Reed, would let guests know that they were not welcome if they didn't behave properly. Think of this when we were first invited there. One misstep caused you to receive as a gift in your cottage a black sweater, which would signify that you were *persona non grata* and were to leave immediately. [laughs]

LAGE: [laughing] You are kidding!

WHEELER: [laughs] So this was the degree of control—

LAGE: I wonder what kind of a misstep this was—

WHEELER: We don't know. Happily, I didn't find out, but this was the kind of environment from which Nat came. Beautiful, beautiful place. Nat was just a larger than life, had grown up in this privileged environment, knew no fear. What I liked about him was that, unlike the others who were the political appointees, here was somebody who's outspoken. If he disagreed with the secretary, he said, "You are wrong. We are not paying enough attention to this issue." And he did battle with the Bureau of Reclamation, famously on its controversial projects. Interior has both a very strong

environmental responsibility, but also a developmental mission. And Nat was forever at odds with the developmental side of the house, and would just tell them, “Get out of my office, I don’t want to hear it.” I was just aghast. But as you can imagine, this was a wonderful place for a young person to work.

So he comes on board, I had worked with him just briefly as his legislative advisor, liked very much “cut of his jib,” as they say, and he invited me then to join his staff. He had two deputies, myself and a fellow named Curtis Bohlen, Buff Bohlen. We divided our responsibilities between internal management of the various programs, and that was Buff’s responsibility, and then the external activity of the office, relationships with other departments, with the Congress, with our various constituencies, including the environmentalists. It was a wonderful experience, just really shaped my thinking about the environment, what it was possible to do if you were stalwart and determined. It helped to be enormously wealthy, I came to understand, to be therefore independent of the pressures that would cause the rest of us to be more circumspect.

LAGE: In what kind of ways did it shape you?

WHEELER: Well, Nat would accept no small thoughts. My first exposure to California was over the development of what has become the San Francisco Bay National Wildlife Refuge. And at the time, Huey Johnson, who preceded me as the resources secretary, but was then not yet resources secretary, was promoting this notion that the then Leslie Salt ponds in San Francisco Bay ought to be converted into a refuge. He came to our office, as I remember, suggesting that some part of the acreage ought to be acquired, and Nat said, “Why acquire part of the acreage, let’s buy all of the acreage!” And he didn’t stop to think that you had to get an appropriation or that the White House had to

approve it, or the secretary, or that this fit with the plan of the Fish and Wildlife Service, who after all would have to administer the place.

George Hartzog was an empire builder, one of the legendary directors of the National Park Service, kind of the Robert Moses of his time. He was in a real sense like Moses in that he saw as part of his stewardship infrastructure in the parks. He proposed to build a parkway that crossed the Potomac River and ran down its shore in Washington, connected to a spur yet to be built on the interstate highway, which struck Nat as outrageous. Here was the park director, accustomed to getting some deference even from the assistant secretary, and Nat said, “You will do this over my dead body,” he said. “We’re not going to build another bridge across the Potomac, we are certainly not going to build a highway along its shores, and that is the end of this argument. If you don’t agree, I am sorry, and get out of the office.” Well, to see this, you know—

LAGE: Were you there?

WHEELER: I was there! To see this—this is a guy that people sort of stepped back from when he approached because, cigar, a kind of grizzly demeanor, the Robert Moses of his time. Nat paid no attention to that.

LAGE: Did Nat eventually fire Hartzog?

WHEELER: Yes. Or saw to it that he was fired.

LAGE: Over similar issues?

WHEELER: Just because they just could not get along. Hartzog didn’t like, he never had—he had Les Glasglow ahead of Nat, who was a complete pushover. He would do what Hartzog told him to do. But Nat would not. He would brook no—And Nat was not always right. I like to think that he was mostly right, but not always right. But it didn’t matter, right or wrong, his way or the highway, as they say.

So to work for someone like that, to see his exercise of authority, his vision, his enthusiasm for the cause, was tremendously influential. But before that, I had obtained from Bracken the training that I would have gotten as a lawyer in a big firm, that is, discipline, attention to detail, draftsmanship, advocacy, so it was a pretty good combination. Bracken was not a visionary; it was not his job to be a visionary, or a programmer. He was the lawyer. I spent time with him and then put those skills to Reed's service. Nat was not disciplined. He did not pay attention to detail. He wanted it done, do it, "I don't care how it gets done, do it!" And then we had to sort of pick up the pieces and make it happen, between Buff and myself. We couldn't have been successful without him, but it was a pretty forceful and potent combination. Between the two of them, that made for a seven-year experience at Interior that really did shape my view on these issues.

LAGE: Were there particular issues that you remember being involved in? Were you involved in all of the set-aside of the Alaska national interest lands?

WHEELER: Yes, yes, yes. That was very exciting, and it was also my first exposure to California. Going back to the development of part of that plethora of new laws, the one that stuck in my mind in addition to land use and the proposal for national land use policy was the Endangered Species Act. I had become quite interested in its evolution since then. It is now thirty years old. But that was an attempt to do what had never been done before, which was to make as a matter of national priority the protection of endangered species and their habitat. No one, including those of us who helped to draft that bill, understood its implications. That it would become in effect a surrogate for national land use planning. Until the *TVA v. Hill* decision, no one took seriously the mandate that you simply will not disrupt habitat, either as a government agency or as an individual. It was both a very interesting conceptual idea that we would be now

concerned with species protection. The most dramatic law of its kind ever, I think.

Then to see its effects in the time that I was at Interior was likewise enlightening. I understood the power of this concept and of the law as it would be interpreted by the courts.

LAGE: There was some kind of endangered species act previously.

WHEELER: Only a list. There was a list.

LAGE: Oh, I see, so '73 really sort of codified it?

WHEELER: Put the bite into it, which said, "Thou shalt not take an endangered species." That was later expanded by the courts to mean "or its habitat." So you got this land use implication that none of us had anticipated.

LAGE: You hadn't really thought about it—

WHEELER: No.

LAGE: Just as NEPA had so many implications that people hadn't anticipated—

WHEELER: Exactly.

WHEELER: It was the courts that expanded the reach of those early laws because we were—you would have to say it was an experiment in '73. Building on the earlier prohibitions against interstate and international trade in listed species, but there was nothing that prohibited an agency or a citizen from acting adversely to a species or habitat until the '73 act. It is probably the most intrusive of those laws, even today.

LAGE: Was that an act that was initiated within the administration?

WHEELER: Yes.

LAGE: Not in Congress.

WHEELER: Yes, it was.

LAGE: By who?

WHEELER: Well, it came out of the Interior Department. It was part of that package from CEQ. I would credit Buff Bohlen mostly with it because he had been involved earlier than I was in the not-for-profit world with listing of endangered species. There is a group, the International Union for the Conservation of Nature, IUCN, and he had been active with IUCN as a citizen. And understood the meaning of this list, but then knew that the list was meaningless unless you put some teeth behind it. So he strove very hard within the department to get a law that was truly significant, and got approval within the administration to send this forward as part of the president's initiative. But we were again helped enormously by Nat's influence. Once Nat bought into that idea, then Katie bar the door, it was going to be enacted.

LAGE: Do you think Nat pushed Rogers Morton on this?

WHEELER: Yes. Yes. Alaska was one of the experiences that was seminal, too. The Alaskan Native Claims Settlement Act had been enacted largely as a way of resolving the tension between the natives and the development of the Trans Alaska Pipeline. The Trans Alaska Pipeline, which was to bring the oil from Prudhoe to the lower forty-eight, was the first major project made subject to NEPA. We saw all that being developed. Morton oversaw that process, and none of us knew really how to write an impact statement or what factors to take into account, but we did know that we were going to get opposition to the project and to the statement. The natives were unhappy that their lands were being traversed, and they were not being compensated or their land claims resolved.

LAGE: This was also part of Interior's responsibilities.

WHEELER: That's right, the natives were. So there were three constituencies, three elements to that Native Claims Act, which was bitterly debated within the administration and then on the Hill. You had to make way for TAPS, you had to satisfy the native claims, and

to satisfy the environmentalists, you had to set aside new lands for the protected systems. We never got to the point of completing the studies that were later enacted into law, with the Alaska National Interest Lands Act, which was a Carter enterprise ultimately. But we laid the ground. We were charged by the Native Claims Act to study these areas for additions to the protected systems.

LAGE: And to set a size that would be set aside, wasn't there a commitment made?

WHEELER: That's right, that's right. There was sort of a hold-fast agreement that pending designation of these protected areas, they would not be developed. They were, "withdrawn" is the term of art, on public land from other uses pending the development of the "D-2" proposals. But ours was the charge to make the studies and draw the plans, and I have got an image of Nat, on the floor in the secretary's baronial office at the Interior building with Morton, saying, "This is why you have to protect an entire ecosystem." Well, no one knew what an ecosystem was, but Nat knew. As it turned out, more acreage was added ultimately to the park system, to the refuge system, to the wild and scenic rivers system, than we had in the lower forty-eight. It was huge! Nat saw that opportunity. Buff Bohlen saw that opportunity. They worked very hard to convince Morton, who was not on the natural an environmentalist, but who also saw the political advantage and saw the importance of keeping these three interests in parity. Then we had continual visits from environmental advocates during that period, saying, don't overlook this feature or make this one larger, always more expansive. I met Ed Wayburn for the first time in the course of that enterprise. Ed and Nat had known one another, and Ed came storming into town with his own set of maps. But he also had maps at that time of the GGNRA, the Golden Gate National Recreation Area, and he was also an effective advocate on that score.

LAGE: Would he be working both of these issues at the same time?

WHEELER: Oh, very much so. But Nat's office was the place where they could both be addressed. It was a quite potent combination, but Wayburn was smart enough not to leave it to the vagaries of the Nixon administration. He also worked the Hill famously well. And so by the time our recommendations came to Hill even with regard to Alaska—we never did get to the end of the process while we were still there, but certainly with respect to GGNRA, he had already paved the way with Congressman Phil Burton and others to enact the most expansive bill.

The most interesting story about GGNRA, and this is another example of Nat's persistence, perseverance, was the discussion about whether or not to include the Presidio. And Cap Weinberger was the secretary of Defense, a Californian, very influential in Nixon's inner circle, and said, "This is the worst idea I have ever heard of. We are not going to turn this active military post into a national park, now or ever." And Nat said, "Well, what is the point of not including it within the boundary on the off chance, a hundred years from now, that it may no longer be needed and it could then be protected in the public interest." Weinberger objected vociferously, thought that by drawing the line, it would be a preordained solution, concerned that the military would somehow be hindered in its administration of the site. That went back and forth, back and forth. Nat enlisted Morton as his advocate vis á vis Weinberger, because Nat was not at the level where he could argue directly with Weinberger, although he had more than one conversation with him. And Nat prevailed, and the line was drawn, with help again from Burton.

LAGE: Burton, I have always heard, was the one who came up with the thought.

WHEELER: You know, to be honest, I don't know whose idea it was first. But I know within the administration, Nat was a strong advocate for it, over the objections, the very strong objections, of the Defense Department.

LAGE: Did you have a role in that at all?

WHEELER: Only to be sort of a bystander to the argument. My efforts with respect to GGNRA centered on, again, the development of one of these packages that Nixon wanted to send as his environmental platform ahead of the '72 election. And there had been a considerable head of steam developed thanks to Ed and the citizen advocates over the GGNRA. Nixon wanted a counterpart proposal in the East so, in order to win California and win New York, in part of the strength of these proposals. So I had seen what Ed had been able to do. We then developed what has become the counterpart of the GGNRA in the recreation area for New York Harbor.

LAGE: Gateway.

WHEELER: Gateway National Recreation Area., which embodied some state parks and city parks, and some land that was then federally owned.

LAGE: Not as much natural area.

WHEELER: Not as much natural area. So at the time, thinking about California, Nixon went out to take a look at the GGNRA proposal during the campaign, and I believe that he went to New York as well. I did not travel with him to GGNRA, but I did travel with Morton to the refuge. Huey had come in, talked about the need to buy the Leslie Salt ponds. We agreed that we would establish a refuge there with this unusual arrangement that would enable the company to continue to develop salt on the land that it had owned but would make available for the refuge purposes. Habitat could be developed and wildlife would enjoy the site, notwithstanding that salt was being produced. So you had a refuge plus some adjoining land that was not technically part of the refuge, but was part of the same ecosystem. That notion was a compromise from the idea that you would have to acquire all of it. Rather, the government would acquire a smaller

portion in fee and then this easement of the balance, allowing Leslie to produce salt but not to otherwise develop the land.

LAGE: Now, who came up with that easement idea?

WHEELER: That was—you know, I don't know the answer to that. We were all looking at it. It was probably Huey who—

LAGE: Because Huey was thinking—

WHEELER: You are right, it was probably Huey who proposed it. That was the occasion of my first trip to California. It was—

LAGE: So tell me about that.

WHEELER: Well—

LAGE: Since we are here in Sacramento.

WHEELER: Right. Morton had decided that he wanted to look at the proposed refuge. And we flew out to San Francisco and stayed at the St. Francis, where I had never been before. They had arranged to use a train that ran on the tracks that now, or still, traverse the refuge, but have not for a long time been actively used for railroad purposes. There are little stations along the way, in fact. I didn't know that until recently. But they got the train somehow; they put Morton on the train, and a whole bunch of media. But I was there because I had to sort of explain to him what he was seeing, what we were proposing to do, why this was important. I have got a great photograph of my sitting at his ear with the boom mikes from the reporters and the camera all there with Morton, and I am sort of trying to explain why this is—

LAGE: So he can answer properly?

WHEELER: Right! Right, right. So it was very, very exciting for me. First of all, I felt strongly that this was a wonderful proposal, but I was in the company of the secretary, and was seeing California for the first time. At that time as well, I was traveling frequently to

Alaska, which was also really a huge opportunity to help with the development of these proposals, which later became the national interest lands. So that sort of shifted my attention west. Interior was a Western agency, by and large, lots of what we did took place in the West. It seems odd now that Morton was an Easterner.

LAGE: Where was Morton from?

WHEELER: Maryland. His family were originally from Kentucky. He was a congressman from the eastern shore of Maryland and he had an environmental sensitivity, more like Nat's than Norton would have, let's say, because of the way in which he was raised. He was not a Westerner. He didn't have this concern about property rights and Western development issues to the extent that you see them now represented at Interior.

LAGE: So you see people from the East as maybe being more attuned to the environment.

WHEELER: Well, yes, in a way, interestingly. I think they are more sensitive to the finite nature of the environment and environmental attributes, that is because it is an essentially a more urban place. These values are more highly regarded. There is also a more well-defined respect for the role of government in this, I think. It didn't bother Morton to suggest that we were going to acquire the refuge or the GGNRA, or Gateway, or that we were proposing a national land use planning act. Those were not—you didn't hear about property rights and about the need to balance economics with the environment. That wasn't part of the dialogue at that time. And this was a Republican administration with a conservative Republican president, after all.

LAGE: But occurring at the time of a lot of environmental proponents—

WHEELER: That's right. And as I said, there were some people like Nat, Russ Train, Bill Ruckelhaus, who entered the scene at that time, truly dedicated environmentalists. There were others, the president, Ehrlichman, Haldeman, maybe even Rogers Morton, who saw this as politically advantageous and said, "This is an issue Republicans

should identify with and we are in a position to do something about it which would leave an important legacy.” In the mode of Teddy Roosevelt. There was always talk of Teddy Roosevelt as the Republican conservationist.

LAGE: Let me just ask you a little bit more about Leslie Salt and that bay refuge—what year was this?

WHEELER: That would have been at about the same time. I think the refuge was authorized, and we could check the record on this, it was in ‘72, I think.

LAGE: Did you negotiate with Leslie Salt yourself?

WHEELER: The solicitor’s office conducted those negotiations, but I was aware of them because it was my job then to take the result of the negotiation, transform that into legislative language, and carry the message to Capitol Hill to get legislative support for it. The administration’s process for developing policy when it was proactive, not reactive, was to take an idea from one of the departments, to run it through the department first, then to OMB, the Office of Management and Budget, which was responsible for coordinating, and then ultimately to present it on Capitol Hill. So that process was time-consuming but essential in formulating the administration’s view. Once the Leslie deal had been struck as a matter of negotiation between the company and the Fish and Wildlife Service, with interest on the part of the state, we had to write the bill that would authorize its acquisition, get the bill cleared within the administration, get it to Capitol Hill, get it enacted finally and signed by the president.

LAGE: I ask specifically about this because I am interviewing a family member who owned Leslie Salt at that time. It was in a great state of transition at that time.

WHEELER: That’s right.

LAGE: The family starting to—

WHEELER: Right. And you know, Put Livermore and his brother Ike, who was one of my predecessors as resources secretary, were very much involved. I think that Put might have been both a citizen activist and maybe counsel to the Leslie company in those negotiations. I remember meeting him as well in Reed's office.

That was an important refuge not only because it was kind of a novel idea that Leslie could continue to produce salt on a part of the land while it was restricted, but also because it was the first urban national wildlife refuge. Here it was in the midst of a densely populated urban area, and the thought was that environmental education could occur there with easy access to populations of adults and children that you didn't find in refuges typically. And that has proved out to be a very important and far-sighted decision, I think, to emphasize.

LAGE: And it has expanded tremendously.

WHEELER: Well, now it has become full cycle, as I have worked with Leslie's successor, Cargill, in the sale of what remains of those lands in the transaction that has just been completed, to sell most of the remaining acreage.

LAGE: You have done that as—

WHEELER: As a lawyer.

LAGE: In your private—

WHEELER: Yes, yeah.

LAGE: Well, this is a fascinating story.

WHEELER: [laughs] We haven't gotten very far!

LAGE: I know, [laughs] well, we haven't. Let's just think, did you do lobbying for— I don't know if lobbying is the word—did you interact with Congress?

WHEELER: Yes.

LAGE: Was that part of your role?

WHEELER: Yes. As the administration's representative, typically with the committees that had jurisdiction, I would be called upon to explain the administration's position. Sometimes to testify, not often, but ultimately I was deputy assistant secretary to Reed, which meant that when Reed couldn't go up and testify, I would go up and testify. And as I said, I had that kind of external responsibility while Bohlen was trying to deal with the bureaucracy, and managed the departments that reported to us. So I got to know a lot of those people, and I came to understand that there was a fairly significant distinction between the authorizing process—let's say that the refuge is finally approved—and the appropriations process. It is one thing to have the refuge established. It is another thing to have it funded. Our agencies year in and year out had to develop their component of the president's budget, which went to the Hill. It too was subject to all of those hearings and negotiations on a completely different track.

LAGE: Did you have—another area I have done oral histories on—I don't mean to focus this on what I have done oral histories on—was the effort to, as they call it, “save the Point Reyes Seashore”—to get funding, to get Nixon to open up the Land and Water Conservation Fund to buy lands for the seashore.

WHEELER: Fund, right, for it. And that money was—I am trying to remember—

LAGE: That was about '71 or '72 also.

WHEELER: And I was still there. Point Reyes was seen as part of this continuum, of course, adjacent to the GGRNA. It came later; the establishment of Point Reyes came after GGRNA.

LAGE: No, well, it actually established earlier and then this—

WHEELER: Was the seashore—

LAGE: It was established, but the money wasn't released to actually buy land, there was talk about development there—

WHEELER: All right. So it was the Land and Water Conservation Fund that—

LAGE: Then there was a citizen group that got a tremendous number of petitions—

WHEELER: Activists.

LAGE: —to Nixon.

WHEELER: Nixon was—and Nat was very interested in the Land and Water Conservation Fund. It is the only source, still is the only source of funding for federal acquisition and for aid to states in their acquisition of land. I don't remember specifically.

LAGE: It might have been earlier. It seemed to be another way that Nixon was shown that this was a big political issue.

WHEELER: Right. Right. He was responsive to that, no question, but it took dogged advocacy, I mean, that is a story in and of itself. The Ed Wayburn story of the citizens, Amy Meyers and the people who worked so hard on Point Reyes and GGNRA, demonstrated to me that citizens could have really tremendous impact. Another such person was Joe Edmiston's mother, Beulah. We used to call her Wild Horse Annie Edmiston, would come into the office very much concerned about the wild horses on public lands. Now, the Bureau of Land Management is an Interior agency, but it wasn't part of our responsibility. And yet she would come to see us and say, "You know, you have got, the BLM has got to do something about these." None of us took that issue very seriously. Well, you know, this is the management of a resource at BLM. They have got to be on top of it. She felt that it was cruelty to these animals, that they were either being not adequately nourished or they were being sold. Time and again, she came knocking. Although, again, we didn't have any direct responsibility, it was that influence that caused Nat to call his counterpart who did have responsibility, to say, "Get this woman out of my office and do something about these." So there was then a wild horse protection act enacted. I mentioned that because

it is another example of what one determined citizen can do. And people think that the bureaucracy in Washington or in Sacramento is so daunting and impenetrable. My sense is just the opposite. You sit there behind your desk dealing with abstraction day in and day out, and if a citizen comes to you with a real issue and is well-informed and well-intentioned, he or she could have enormous impact.

LAGE: But they do have to develop—I also interviewed Ed Wayburn, and he talks about how he sort of developed his relationships—

WHEELER: Relationships are very important.

LAGE: So he could go in and talk to Rogers Morton.

WHEELER: There has to be a sense of trust and there has to be a personal, at least, rapport, if not total compatibility. Ed, to be honest, I love the man, he was something of a nuisance at times. He wouldn't take no for an answer, even when no was the appropriate answer. And wouldn't know to leave well enough alone. If you pushed so hard, sometimes you get pushed back, and sometimes Ed went too far in our view, but I'd rather have him as an ally than someone who wasn't pushing hard enough.

LAGE: Right. So, are there any other specific things that you should talk about, legislation that was especially important to you?

WHEELER: I was interested, because I had spent some time in North Carolina, on an issue involving the New River in North Carolina and West Virginia. The American Electric Power Company, which is a big utility in that region, had proposed to build a dam that would inundate portions of this then-pristine river. Including some wonderful rapids and an important fishery for what is called a pumped storage facility, that is, water is pumped back and then released. It is not particularly energy efficient because of the pumping involved, but it is, the argument made for it is, that it gives you "peaking" capacity. It gives you a bit of extra energy when you need it the most. Well, it was a

fairly substantial concern, but the company was very influential politically. A few citizens, but not too many, had called it to the attention of the governor of North Carolina, who was someone that I had met in the course of my early political career, Jim Martin, who was a professor at Davidson College. Martin got elected as the first Republican governor of North Carolina, and a very moderate Republican at that. Became quite enamored of this issue. The river ran in North Carolina as well. In fact, the stretch that was most endangered was in North Carolina. We developed a personal bond that resulted in designation of the New River as a Wild and Scenic River and stopped the dam from being built. During that period, this company ran full-page ads in the *Washington Post* and the *Times*, naming Martin, not me, but Reed, Morton, as enemies of progress and abusers of property rights and the rest. It convinced me that again, not just citizens, but governmental officials too can have an impact. If you know your issue, have adequate allies, even against a very strong corporate opposition, as that was, it is possible to prevail. And we had to get the congressional delegation to see it that way, and then develop some friends in the New River community who are still active. Today it is a wonderful recreational asset.

LAGE: And again, somebody must have drawn it to your attention.

WHEELER: I think it was Jim Martin, actually. The governor said, "Look, they are about to do this in my state. Is there something you can do?" And I said, "Yes, we have responsibility for the Wild and Scenic River Act." Which means you identify and you designate those places which are eligible, but you have to get congressional approval to do that. Another woman came to my office, Rae Ely, just somewhat random, concerned about an area called Green Springs in Virginia. A beautiful landscape really, with some historic houses and small towns, that was threatened by a vermiculite mine which had been used principally for kitty litter, so it made a very good juxtaposition of values.

She just came at us time and again, said, “This has got to be designated a national historic landmark, and if it is a national historic landmark, the mine cannot be developed, under state law.” But then she had to get a state law that protected national historic landmarks. Designation of a landmark in and of itself is not sufficient protection. It does indicate that a site is nationally significant. So she had to get that done, and she had to get a state law enacted. And she was another citizen who just kept coming at us, kept coming at us, “Well, have you done it? Can you do it? What about the study, will we get your support when we go to the legislature in Virginia?” You, as Ed Wayburn has told you, apparently, you begin to develop personal relationships, such that Ms. Ely would call you at home and say, “Guess what has happened today, the court has lifted the injunction,” or they haven’t. Those were very important lessons to me at what you can do, both as a citizen and as a government official.

LAGE: Interesting. Now, let’s see, we didn’t talk about Watergate and how it was to live through that, and how it impacted—

WHEELER: It was surreal in a way. That is to say, I knew it was happening, we were all appalled, and yet we were a part of this administration, we were pledged to support the administration, and most of all, we were told to continue business as usual. I remember the sort of disconnect of that when I would be asked to go out and make a speech about an issue or about a program, or invited to a groundbreaking, one thing or another, and we would talk about things that interested us and that we thought were important in the discharge of our responsibilities. Well, no one wanted to hear about that, they wanted to talk about Watergate, and the question always was, “What do you think about Watergate?” or, “How could you be here talking about this when Watergate is going on at the same time?” So you tended to compartmentalize. I wasn’t

directly involved. What I did see, and this is the explanation for the failure of the land use legislation, was that it just created a huge distraction, which affected the process of government. At least, not the day-to-day stuff, we were always there doing our jobs as I said, and we'd continued to go around the country, making speeches or investigating new opportunities, but we did not get new leadership or initiatives. Those packages of aggressive or ambitious environmental laws just fell off. The effort that would have been needed to enact national land use planning passed the Senate, interestingly, with support from Scoop Jackson, as a Nixon administration initiative. But it lost in the House, or faltered, never got to a vote, because the White House just didn't devote the time or energy needed to win allies and to get it enacted. So that and many others, I am sure, were fatalities of this inattention caused by Watergate.

LAGE: We should talk a little bit more about that national land use.

WHEELER: Yes.

LAGE: Was that something you were involved in?

WHEELER: Very much so. I felt on the strength of my experience, then limited but growing, around the country that individual attempts to deal with these land use issues were inadequate. This is an Interior bias actually, as opposed to a bias that you would have at EPA. We had EPA as this new agency, it was getting a lot of attention, and it had the new laws and it had quite aggressive leadership, but I said, all right, air pollution, water pollution, these are significant issues, but at root these are a result of the way we use land. After all, we ought to be thinking more about that as a root cause of pollution and as a way of affecting settlement patterns and improving therefore the quality of our environment. It brought to mind, at that time, the experience that I had mentioned in Europe. In fact, I traveled to Europe during that period to look a little more at what was being done. We had an office of land use planning in Interior and we were

working on the development of an administration proposal that would parallel what had recently been enacted, the Coastal Zone Management Act. It was thought by some that when this proposal for land use was proposed, nationwide land use, that it was somehow heretical. But the proposal paralleled the Coastal Zone Management Act, not just limited to the coastal zone. The states would be required to develop plans for land use, comprehensive plans identifying important aspects to be protected and putting a regulatory mechanism in place, subject to the approval of the federal government, and that in response, the federal government would discharge its responsibilities, including its construction and highways and infrastructure, consistent with that plan. That is, it would become a plan binding on the federal government. So it was a kind of a nice quid pro quo. The states were given the responsibility ultimately, to determine their fate. They were required to design a plan to be sure and it was to be approved by the feds. But once in place, the feds would abide by that plan.

LAGE: Approved by the Congress or approved by the—

WHEELER: —by the administration.

LAGE: By the administration.

WHEELER: Right. Right. And that is exactly what happens with the Coastal Zone Management Act today. The state is required to develop a coastal zone management plan. It is subject to the approval of the secretaries, actually in that case, of Commerce because NOAA is now there, the office of coastal zone management. But it is essentially a state activity. The incentive is that no federal funds would flow until you have a plan in place. Second, once the plan is in place, the federal government would act in respect to the plan.

LAGE: Tell me more about your influences. You mentioned Europe. Were you also influenced by Russell Train or reading that you did?

WHEELER: Well, interestingly, my thoughts about species and habitat came out of the discussion of the Endangered Species Act, the need to look at more than the single species, multiple species. This became important later in the Endangered Species Act and very important here in California. But the need for protection of habitat, this notion of ecosystems was very new at the time, but it was manifested in the planning for Alaska. Where a conventional approach would have been to sort of isolate that specific attribute, Yosemite is a good example, and draw a boundary around it that was more or less convenient, and then not be too much concerned about the periphery. But we had the opportunity in Alaska to embody the entire watershed. And to protect all of it, such that you would not be subject to uncontrolled, external influences. That was a quite significant shift in not just my attitude but the attitude of land managers in the government and, I think, the Congress ultimately.

LAGE: And environmentalists also were shifting.

WHEELER: That's right. So you see this vast area now protected in Alaska, I think appropriately. We will not confront there the problems that we confront in parks that are now sort of islands of protection within a much more developed sea in the lower forty-eight.

LAGE: So you were getting this broader picture.

WHEELER: Very much so, and I was hearing from scientists. I was a lawyer, after all, I was not a scientist or biologist, but in the process of all of this discussion about protected areas and negotiations about the refuge and Point Reyes and GGNRA, and Gateway, and Alaska and the New River and what have you, you begin to absorb some of this.

LAGE: Yes.

WHEELER: And it all began to make some sense to me, that if you had the opportunity, you ought to be expansive in putting that approach into place.

LAGE: Any reading or—

WHEELER: Well, I read the things that people were reading then, Rachel Carson's *Silent Spring* had a big impact, *Sand County Almanac*, of course. Later I became very interested in [Wallace] Stegner. But that is really after I got to California and began to think about California's natural history. I am a big fan of E.O. Wilson, and I didn't get to know him until I worked at the World Wildlife Fund. But he is really the premiere conservation biologist and he took all of those theories that have sort of been out there and made a discipline of them and caused us to understand the interconnectedness of all of this. That has come to influence my thinking profoundly about these issues, certainly while we were in Sacramento. The whole notion of biodiversity, which was not even on the horizon twenty years ago when I was at Interior. In fact, the Endangered Species Act, if you read it today, says very little about habitat or about ecosystems, nothing about ecosystems, a little about habitat. It was focused on individual species. The idea was that you could protect individual species by providing a safety net for those in decline or threatened or endangered. That was a terrific misjudgment on our part. But simply because we didn't know better.

LAGE: Reflective of the thinking of the times.

WHEELER: That is absolutely right. After all, as I said, it had been born, the act itself had been born of a list, of species that were thought to be endangered. You write the list down, which they had done early on, and then you write the law that says "protect listed species." The courts told us that habitat was important. Science told us that ecosystems were important. And now you would write that law completely differently. And one of the real tensions in the administration of that law today is the difference between what we know to be the words of the law and its interpretations by the courts and what science has told us. People are beginning to push back a little bit. We can talk about this later, but my thinking about endangered species habitat in southern

California was influenced by the notion that we just couldn't save individual species and shouldn't try.

LAGE: We will talk about that later.

WHEELER: All right.

LAGE: NCCP [Natural Communities Conservation Plan].

WHEELER: NCCP! NCCP.

LAGE: Okay, well, let's see. Maybe we should—how are you doing?

WHEELER: Well, I am okay. I am okay.

LAGE: Tired of sitting.

WHEELER: I could take a drink of water and then if we are at a good break point or whatever—
[interruption]

LAGE: Okay, now we are starting up again after a little break here. I thought we had about finished with Interior, but we didn't really talk about the Ford administration and the changes that occurred.

WHEELER: This was a time, obviously, of Watergate, and as I say, there wasn't much new initiative then owing to the fact that the administration was focused elsewhere, but when Ford became president, there was a great sense of relief. I don't know that he was particularly interested in these issues except for the fact that we knew he had worked as a park ranger very early in his career, I think at Yellowstone.

LAGE: I think so.

WHEELER: And we tried to take advantage of that, in fact did get him to go to Parks and develop for the election campaign of '76 a program of fairly substantial expansion for the park system, kind of in the order of the '72 initiative, which we had regarded as quite successful, the Gateway and GGNRA proposal, and had some things which he could

have claimed as his own and did during the campaign. But everyone expected him to win. So it came as an abrupt—

LAGE: [laughs]

WHEELER: And this was during the time of the bicentennial observance. Which was an awfully good time to be involved with the Park Service. I remember traveling with Reed on the Fourth of July to Valley Forge, for instance, to help commemorate the 200th anniversary. Lots of things were happening around the country. That added a nice feeling at a time when people were not all that happy about government, and it gave us some optimism about Ford and his inherent decency. But he lost. And it became my responsibility [laughs] to find a new job, quickly.

And I went to the National Trust for Historical Preservation, which opened up another facet of my interest in resource management. I had, during the time at Interior, been the secretary's representative to the Board of the National Trust; he's a statutory member of the board. Had been a little bit active in historic preservation locally as well in our community. We lived on Capitol Hill in Washington, and while living there in a restored row house, had become part of an organization, the Capitol Hill Restoration Society, that sought successfully to establish a Capitol Hill historic district. So I knew a little bit about how that worked and what it meant, and was interested in preservation from the limited exposure that I had had while at Interior serving on the Board of the National Trust ex-officio. So they asked me to be their executive vice president. That was the first in the series of not-for-profit assignments that had in common the fact that they were involved in these resource issues, all of which had in one way or another been the focus of my interest and responsibility at Interior.

LAGE: Although your initial interest was public service.

WHEELER: That's right. That's right—

LAGE: Here you are now on the out—

WHEELER: That's right, that's right. So it had been refined to resources and the environment owing to the happy accident of my early employment at the Department of the Interior.

LAGE: So what kind of a group was that National Trust?

WHEELER: National Trust is a congressionally chartered, national organization. It is a private organization that received at the time some government funding. It had just a couple of principal purposes. It owns some historic sites around the country; the Cooper-Molera, the Adobe in Monterey, for instance, is owned by the National Trust, run as an historic house museum. But its bigger responsibility was to promote historic preservation at the community level through field offices and volunteer initiatives, kind of a Nature Conservancy of Historic Preservation, if you will. A very good and solid thriving organization.

LAGE: Membership?

WHEELER: A membership organization, largely supported by those contributions, with a completely different constituency. I have never understood quite why, but conservationists and preservationists are two different animals. Working to sort of integrate those, which I have always tried to do on the thought that they both contribute to landscape conservation, has always been a challenge.

LAGE: What kind of animal is a historic preservationist?

WHEELER: A historic preservationist is an esthete mostly, I think. These are people concerned with architectural history. They tend to be sort of artistic in their orientation and interested in history more than in natural history. A conservationist is by nature an outdoors person. A preservationist would just as soon be inside a building as outside, I

suspect. Conservationists not so. My own sense of it is, of course, that they both have an important interest and contribution to make, that it is the combination of the two that provide to a landscape its variety and appeal, and in Europe that is so clear. But not so in the United States.

LAGE: Did you try to move the organization?

WHEELER: I did. The one way in which that happened at the Trust while I was there was the Main Street program, which was an attempt—it tended to be a somewhat elite organization, in that the people who are concerned with preservation tend to be largely wealthy, largely older, largely white and middle-class. But the real action, it seemed to me, was at the community level. There was a woman, Mary Means, who had the idea that we could really reach out to a larger constituency, and have greater impact if we went to the main streets of small towns, and explain the connection between retaining the vitality of those places and protecting open space. The idea that sprawl could be averted if center city or small village retained its appeal and development occurred there, not in adjacent open space.

LAGE: This was one of your members who—

WHEELER: She was a member of the staff. So Mary Means, with my active support, established the Main Street program. You will see around the country today Main Streets, or places that are designated as a Main Street town, meaning that it had adopted certain codes of conduct, voluntary, and commitment to maintaining the vitality of a small town. In a way it is kind of the counterpart to ecosystem protection. It is not just the one building that is important, it is the context. And it has implications for conservation; if the conservationists and the preservationists would ever get together; we would have a hugely influential constituency.

LAGE: But it must be hard to fight the Wal-Mart that comes on the edge of town.

WHEELER: Well, it is absolutely hard to fight it. The so-called big box draws these people out and causes the towns to die. In fact, the entire Midwestern region of the United States is on the verge of economic collapse for that reason. So the Trust was an interesting place, a not-for-profit. My first experience outside of government, and dealing with the dynamics of a board. I worked for the president of the organization, James Biddle, a very well-regarded preservationist, a Philadelphian of great American lineage, a wonderful person who commanded great respect. There too was a wonderful way to sort of be introduced to a field that I didn't know a whole lot about. But in the shadow of someone who was quite well-regarded in that field, like Nat Reed had been in the environment and conservation.

LAGE: Did the board take an active role, or were you left—

WHEELER: Not exactly. Not exactly as active as the board of the Sierra Club, I would say. [laughs]

LAGE: That's what I leading up to. [laughs]

WHEELER: I see, I see. But I mentioned it because it was my only first prior experience with a board, and this was a much more well-behaved board than the Sierra Clubs were, if that is the appropriate term. No, that was a more traditional board.

LAGE: Where you an administrator there? A manager?

WHEELER: Yes. Executive vice president. There I was sort of responsible for the nuts and bolts of the organization. A staff, a magazine called *Historic Preservation*, interestingly enough, which is quite a nice publication, a series of programs like Main Street, regional offices around the country, and then a membership to cultivate, always in the direct mail business, my first exposure to that, really. And then a little bit of public policy, not a lot, but looking at tax incentives, for instance, for preservation, so that when you restore a building you receive tax credits for certain expenditures. The National Register of Historic Places was a federal program in which we had a real

interest. It was an important broadening of my perspective, which until that time been more on the natural side as opposed to the cultural.

LAGE: Did it hold your interest? The way your job—

WHEELER: It did—it was not, because it was not as diverse, and because it was not, strictly speaking, a public policy organization, it was much more a management job than I had been accustomed to. I liked it, but I was tempted by an offer at that time—there was a change. Biddle left and a new president came who didn't think he needed an executive director, so they consolidated the two jobs and it was clear that there wasn't going to be a place for me in that. Just then, I was asked by the Rockefeller Brothers Fund, along with Pat Noonan, who was then about to leave The Nature Conservatory after a very good career there, as its president ultimately, to explore this notion of an organization committed to protecting agricultural land. That was the origin of the American Farmland Trust.

LAGE: So you were right in on the ground floor.

WHEELER: He and I did a study under contract to the foundation. This was really the result of Peggy Rockefeller's personal interest but expressed through the foundation. Bill Deital, its president, and Tom Wahman, W-A-H-M-A-N, the program officer, said, "You are, both of you, experienced in this business of policy and not-for-profit organizations. We are wondering if now isn't the time to think about farm land protection as a not-for-profit objective." And we sort of scoured the country, first to determine whether anyone was looking seriously at the issue; second to know how one might deal with it effectively, if in fact it was an issue; and then third, failing to identify an existing organization whose program could be expanded or embellished upon, should we start a new organization?

LAGE: Did you find any interests?

WHEELER: We found interest. Interestingly—

LAGE: I guess I mean not just interest, but were there organizations on the local level?

WHEELER: No. There were some, and the one that comes to mind is the one here in California, the Marin Agricultural Land Trust [MALT]. In fact, it was probably one of only a handful of such programs nationwide.

LAGE: It was in existence way back then?

WHEELER: 1980. But what really caught the attention of the philanthropic community, and the Rockefeller Brothers Fund particularly, was a study that had been initiated during the Carter administration and released just after Reagan became president called the National Agricultural Lands Study. It reflected that we were at risk of losing three million acres annually of productive agricultural land with no real thought to its consequences. They said there was need for government to do something about it, and the philanthropic community, at least the Rockefellers Brothers Fund, were persuaded that a nonprofit on the order of the Conservancy could handle the challenge or at least motivate government.

LAGE: People had given up on national land planning.

WHEELER: Exactly right. Exactly right. That would have been the solution, then we would have had the European model of farm and town, but we don't, we didn't have that. Peggy Rockefeller had been a member of the board of the Conservancy, knew Noonan as a staff member, and I had had interaction with some of the principal in my work at the Trust. One of the other things that Pat and I had done under assignment to them was to work on the Pocantico Estate for the Rockefellers. Nelson Rockefeller—it is an interesting story, a little bit apart from any of this, but Nelson Rockefeller had died leaving an undivided one-third interest in the family estate in Westchester County to the National Trust for Historic Preservation, while I was there. There was a great deal

of consternation about this within the family, “What does this mean now, to have a not-for-profit organization as our partner in the family homestead?”

LAGE: Yes [laughs].

WHEELER: He didn’t leave it endowed, and the members of the family were still living there, still today live there. The question was, well, not only do we have these new owners, but we don’t know of any of their financial capacity, and we want this place to be maintained. It’s exquisite, with an art collection and acres of beautiful manicured grounds and the rest, on a promontory over the Hudson. “We want it to be maintained in the style to which we have become accustomed.” But Nelson hadn’t provided for that.

LAGE: Had Nelson talked to the Trust?

WHEELER: Very, very interesting. The week before he died, I went with Carl Hummelsine, who was then the chairman of the board of the National Trust, to meet with Nelson, in his apartment in New York on Fifth Avenue, which was itself a quite wonderful experience. He was still then an influential person and had just finished being vice president. He was sort of testing us, I could tell. “Would the Trust be interested? What would happen if the Trust took title? How would the finances be managed?” We said at the time that of course there would have to be an allowance. We didn’t have enough of our own resources, and we would want to be appropriate stewards. “All very interesting,” he said. He died a week later, completely unexpectedly. It turned out that he had already made his decision at the time that we met him.

LAGE: He had already written it in his will— [cross talking]

WHEELER: He had already written his will.

LAGE: He didn’t change it to put the endowment—

WHEELER: Didn't do anything. And I came home from that meeting and said to Heather, "This has been a remarkable time. I met Nelson Rockefeller, he is interested in working with the Trust on the family estate, and I can see this is going to be a quite rewarding and interesting experience."

LAGE: And then he's gone.

WHEELER: Then he is gone. At that time, Pat and I were doing the study on the farm land organization, the National Trust was in this leadership transition, and the family asked Pat and me to take a look as well at how to manage this undivided one-third interest. We had the great good fortune at their expense to travel around the country looking at major properties of this kind, including the Hearst Castle, but also the Vanderbilt Museum in North Carolina, or House Museum; to determine how to operate a place like this. Do you admit the public? What are the costs of doing so, what are the expenses? Can it be made self-sustaining? None of them had this problem, though, of being an undivided ownership interest with family members.

LAGE: With people still—

WHEELER: Still living there! Right. So our report was, yes, you could raise the money; it is going to be an appealing place. It is very attractive. But you'd have to admit, and we had all the numbers, you are going to have to admit tens of thousands of people there, and run them through on very carefully guided tours with docents and the rest.

LAGE: Like they do at Hearst Castle.

WHEELER: Right, right, right. We made our presentation to members of the Rockefeller family in New York, and you could just see their jaws drop around this table that this was the only solution, and it was an unacceptable solution. They were not going to have the family preserve so impacted by visitors. So ultimately our report came to naught, our idea of sort of a for-profit enterprise. Ultimately, the interest was severed. The Trust

still retains the title, but they are managing a portion of the estate for public visitation with some continuing support from the Rockefeller family. The public visitation is by reservation only. A much more constrained model than the one we had proposed.

[laughs]

LAGE: I should think so.

WHEELER: The family had to then decide that they were going to make this substantial financial contribution in lieu of the public support that would have been necessary.

LAGE: Interesting sidelight there.

WHEELER: I mentioned that because it was my introduction to the Rockefeller family and to Peggy Rockefeller.

LAGE: Who was—where does she fit in the family?

WHEELER: She is David's wife. Since deceased, but she had an interest in agriculture. She owned farms around the country. Was particularly concerned from her experience on the board of the Nature Conservancy that there was a loss of ag land that could be stemmed in the same way that habitat is being protected by the Conservancy. Therefore, she had the foundation ask us to write the study that led to the establishment of the American Farmland Trust.

LAGE: So, you looked at places like MALT. Did MALT's approach, or were there others, did it have an influence on how you shaped your—

WHEELER: Well, what we thought was—two things, that MALT, though it was successful locally, did not have a public policy capacity. That is, it would take more than protecting individual farms. You would have to protect the farmer. You would have to find a way to keep people on the land. You would have to make sure that government policies were sensitive to the needs of protecting the land and the enterprise. As important as it was to have local initiative, MALT was a great success. But it was limited in area, and

there was at that time no national policy devoted to farm land protection. So we thought that you needed an organization that did both. That would protect farms individually as MALT was doing, preferably at the local level, but maybe with technical support from a national organization and its superior resources. But that we also had to start working on national policy that would make it the government's objective to protect farms and farmers in that setting. And that remains the work of the American Farmland Trust today.

LAGE: So you founded the organization.

WHEELER: We came back and said, "Look, we didn't find another organization that seems to be doing this. We think that there is need for an organization that would take some substantial funding to get it off the ground, but there is a lot of interest around the country." We found organizations like MALT—which proved to be the place in which we found first a charter trustee in Ralph Grossi, who had started MALT, and who is now the president. When I left to go to the Sierra Club in 1985, Ralph stepped from the board of AFT, he was one of its first board members, to be the president. He has been president ever since. But he came to that job with better credentials than I had. First, because he had the experience at MALT, and second, because he is a third-or fourth-generation farmer in Marin County. And he has done a wonderful job. But that organization today has a stronger public policy focus, I would say, than a land protection focus, although that remains one of its objectives. That work of land protection is being done pretty much at the local level. The big innovation, if you will, has been the development of state purchase of development rights programs, in which state funding is used to buy the increment of development from farmers, a conservation easement, if you will. The land is therefore committed in perpetuity to agriculture, the development potential having been paid for and retired. It gives the

farmer an opportunity to capitalize on the increased value of the land without the necessity of selling it to realize that potential.

LAGE: And it reduces the taxes, doesn't it?

WHEELER: It reduces his property tax, as in the Williamson Act here in California, and reduces his estate tax so that when he goes to leave that land to his family, they don't have to sell the farm to pay those taxes. It is valued at a much lower level.

LAGE: Was one of the roles of the Farmland Trust to lobby in states?

WHEELER: Yes. To proselytize around the states for the development of these programs, PDR programs. Interestingly, we also were successful at getting some federal money devoted to that same purpose. But first it was a Farmland Protection Policy Act enacted in 1980, just as we were getting organized. Then subsequently, the farm bills of '85 and the most recent farm bill, that would have been 2002, have substantial funding components, matching funds. So the feds say to the states, "If you will come up with some money, we will put some money in as well." So now these PDR programs are very well-funded around the country in those states which have chosen to adopt that strategy, including California.

LAGE: And you hear so much more about the importance of it now than you did in 1980.

WHEELER: That's right. That's right. I think Peggy and the Rockefeller Brothers Fund were prescient in that. It is a much more important issue, but it fits this larger concern still about landscape scale conservation, and appropriate land use.

LAGE: Did the Rockefellers fund the trust?

WHEELER: They funded it initially through the Rockefeller Brothers Fund. But, as with anything, they were asking us ultimately to be self-sufficient because they couldn't fund in perpetuity. I would guess that through the foundation and then generous contributions from the family itself, over the years AFT has received, on the order of \$20 million.

The largest part of which was an endowment that Peggy Rockefeller left when she died not too long ago.

LAGE: So was one of your jobs there fundraising?

WHEELER: Yes.

LAGE: Was there a membership?

WHEELER: Yes. By direct mail. I had taken my experience from the—this was institution-building, this was another wrinkle. I had taken my experience at the National Trust with direct mail. We didn't know how many people out there around the country would be interested, but we assumed that conservationists would be interested, and we used conservation lists to solicit members, and that was reasonably successful. It is always a dicey business, but it is also the case that we found board members who had had an interest in various parts of the country. Brought individual philanthropists and foundations. So we had a mixture of fundraising from members via direct mail, foundation support like the Rockefeller Brothers Fund, and then larger individual donors. Today, the organization probably has a \$10 million budget, and I am the chair.

LAGE: Oh, that's right, your—

WHEELER: I had been the first president and I have come full cycle now to the role. [laughs]

LAGE: As president you were the manager.

WHEELER: Correct.

LAGE: Executive manager.

WHEELER: Correct, correct, correct. I was there for five years until Grossi came in and I went to the Sierra Club.

LAGE: Anything else about what you learned there? We have, let's see, two minutes on this tape, but I could put another—

WHEELER: Oh no, that's a good break point for me.

LAGE: Just to sort of lead us up to—

WHEELER: Right. It is important that that issue particularly had a local, state, and national resonance. That is, the MALT experience was clear. Local grassroots activism would take you a long way. State programs were going to be closer to MALT than Washington could be, but you need a policy behind that. It was not enough to save individual farms. You had to have a reason to do that, and you had to have policies which were supportive of it. It didn't do much to save farms if you couldn't bring water to the farms, if there was not sort of the farming infrastructure surrounding them to sustain a vital economic enterprise. At that, it was a tough sell. It remains a tough sell. Why should we as a society be concerned to support what is an essentially an economic enterprise? It is not the usual objective of a not-for-profit organization. You are helping people who are making their livelihood from the land. And what do you require of them in return for that support?

LAGE: And what is the value of—is it the agrarian ideal?

WHEELER: Exactly. Is it a social objective, is it a conservation objective? We haven't quite sorted that out still. For that reason the organization has not achieved the same level of prominence or influence that the Nature Conservancy has. The message is a lot less clear than that of the Nature Conservancy.

LAGE: Okay, I think we are about to run out of time here.

WHEELER: Good, good.

[Session 2, April 23, 2004]

[Begin Minidisc 3]

LAGE: Let's see, we last interviewed in December, it seems to me, and this is our second interview with Doug Wheeler for the State Archives Oral History Project. Today is April 23, 2004. Doug, let's see. Last time we covered personal background, your years with the Department of Interior, the National Trust for Historic Preservation and the American Farmland Trust. And we were on the brink of getting to that lovely topic of your years in the Sierra Club.

WHEELER: The Sierra Club.

LAGE: It seems to me, at the very end, you mentioned the Farm Bill of 1985. Did that have some connection with the Sierra Club?

WHEELER: Very much so.

LAGE: Okay, let's talk about that.

WHEELER: In fact, I had my introduction to the Sierra Club leadership because as the president of the American Farmland Trust, I had moved the organization into an alliance with a number of environmental organizations to secure in the 1985 Farm Bill a recognition of the importance of farm land protection, and to initiate some government programs. The Farm Bill, earlier, the '81 Farm Bill, had included a farm land protection policy statement but not much else. As there was growing public awareness of the issue, we felt at AFT that there should be some federal funding as well to support that effort, but knew that we could not achieve that by ourselves as a relatively small organization with a largely agricultural constituency. So we reached out to form a coalition that

included the Sierra Club. I worked closely with the club as part of that coalition to secure enactment of the provisions of the Farm Bill.

LAGE: Were they immediately interested in those?

WHEELER: It's my sense that they were, yes. As president, I wasn't day-to-day involved with the building of the coalition and the lobbying that occurred. But I think my closer affiliation with the club resulted from the fact that I was called to a board meeting in 1985 for purposes of explaining the coalition and its objectives. It was there that I met the board for the first time and had interaction with the senior staff around this issue of ag land protection.

LAGE: Okay, well then, let's go to the process of your being hired as executive director, which was July 1985, it seems to me.

WHEELER: Correct. Shortly after that meeting, I'm not sure of the date of that meeting, but looking back, I suspect the meeting might have in part been an audition for me, and an introduction to the club. They had hired a search firm whose head was Steven McPherson, someone that I knew quite well, and who was the grandson of one of the early founders of the National Park system, and had been a friend and a conservationist of renown himself. Steve called me to say that the search had begun, would I be interested. My initial reaction was, for a couple of reasons, no. First, I had just started, although five years ago, then, the American Farmland Trust, I had a commitment to the Rockefeller family who had been generous in its support of that organization. And I was frankly skeptical of the fit between a Republican, albeit a moderate Republican, conservationist and this organization, from what I knew of it. But he persisted, insisting that was exactly why the club might be interested in employing me. Reagan had been reelected to a second term, their efforts to defeat him notwithstanding. It looked as if Reagan and the Republican party were pretty much in

control of the policy apparatus in Washington, and it might be useful to have someone with contacts, at least to broaden the sort of political range of the club's activities, including Republicans who might be sympathetic to its activities. Well, that was plausible to me, not only plausible, but, I thought, a very important and worthwhile objective, because my view had been that the club was too closely aligned with the Democratic party and at a time when Republicans were in the ascendancy, that would limit their effectiveness on Capitol Hill and elsewhere.

LAGE: Okay, that's interesting that that was put forth as one of the reasons they might—

WHEELER: I think that was the principal reason.

LAGE: How did it go, the selection? Did you talk to people directly from the club?

WHEELER: I talked to individual members of the board, as McPherson would arrange these interviews as the process usually proceeds. Then ultimately with the board's search committee as a group, this was over a period of a couple of months, I would say, and I was at the same time making inquiries of my own about this question of compatibility, essentially. Although I received what I would call "cautions" from people who knew the club, about its sort of internal politics and methodology, I also received a lot of encouragement from people I respected a great deal who said, "This is too good an opportunity to pass up. If, in fact, the club is serious about broadening its constituency and working in a bipartisan nature, you're almost compelled to try this." Ultimately I decided to do that.

LAGE: I'm wondering, who among the club leadership actually committed that point of view to you?

WHEELER: Well, I'd have to say the most influential was Ed Wayburn.

LAGE: Who had been a Republican.

WHEELER: Correct. And I had worked with Ed on the establishment of the Golden Gate National Recreational Area. I remember telling you earlier that my first exposure to California was around some of those issues concerning new parks and refuges. He was a very good friend of Nat Reed, Nathaniel Reed, who had been my boss and mentor at Interior, a renowned Florida conservationist, himself a moderate Republican. He said, “You know, we can trust Ed Wayburn on this. That is, Ed knows the club, knows you, knows what needs to be done.” And I’d say Ed, more than anyone, was influential in that decision, through Nat and others that I had talked to. Nat encouraged me to do this, over some who said, “This is not a good idea,” including Heather, who was not too enthusiastic about moving for personal reasons, and didn’t think that I had exercised appropriate due diligence. That is, in terms of knowing could this really be made to work, given the club’s history and its sort of internal politics.

LAGE: Did they make it clear whether they wanted you to be an inside executive director or an outside?

WHEELER: No, no, outside. It was pretty clear to me that the job entailed doing both, obviously. I had as the only role model Mike McCloskey, who preceded me, but it was clear that if I were to be an effective emissary to a broader constituency, I would have to be working outside the organization.

LAGE: More than managing.

WHEELER: Right, and quite specifically, working with Republicans on Capitol Hill. I can recount some interesting encounters with them about, you know, incredulity is an understatement—

LAGE: With your Republicans? [laughter]

WHEELER: The newspapers, when it was announced that I had been employed, made a big point of the fact that I had voted for Ronald Reagan, that this was a bona fide Republican,

what has happened to the Sierra Club? I happened to be in town for the announcement, and heard the next morning—in San Francisco—heard the next morning some of the local media. There was just disbelief—what has happened to the Sierra Club? That might have been a signal that things weren't going to go entirely well, but I took that all in good humor, I knew to expect that. I had been persuaded, maybe it was a bit too much self-confidence, that I could manage the internal dynamics of the club, while also doing this job that they expected of me in Washington and elsewhere.

LAGE: I saw that you announced, or there were a couple of news articles saying that you thought the club should focus its resources and also work with other groups. Was that a central—?

WHEELER: A couple of things. My limited experience with this coalition suggested that, yes, coalitions working together could be very effective.

LAGE: The Farm Bill.

WHEELER: Right, particularly if you could reach across the usual constituencies. I had had some success at AFT in reaching farmers to engage them on conservation practices and farm land protection, which encouraged me to think that, hey, maybe there were some other constituencies out there. My other concern about the management of a nonprofit, again, born of that experience at AFT, was resources, under the best of circumstances, are limited. In order to be truly effective, you have to pick your priorities and focus quite tightly on those in order to make best use of those scarce resources, and in order to ensure some prospect of success. My view was, having reviewed the club's history, that the club had been tempted to address a wide variety of issues, all of them socially relevant, but not all of them particular to conservation. I had heard from some of what I call the "old timers" in the club, that it had lost its way. These tended to be Republicans, not coincidentally, people associated with the outings program, for

instance, who hark back to the John Muir heritage of outdoor recreation, education, natural area appreciation. They said the club went astray in its appetite for a broad membership, recruited by direct mail, based on whatever issue happened to compel attention at the time. There's a lot to say on both sides of that issue, but there was some sentiment that the club had lost its focus. I made clear to the board during the interview process that I thought maybe some of these peripheral issues would have to be sacrificed in order to get the job done on the core agenda.

LAGE: The trouble being, probably, defining the peripheral issues.

WHEELER: Correct, correct, as we've just seen in the debate over immigration. It was an outgrowth of the club's political activism that caused it to be, in my view, sort of ensnared in issues, peripheral issues, all of them very significant, but mostly the province of other organizations.

LAGE: Were you thinking of things like nuclear testing?

WHEELER: Nuclear proliferation, civil rights, even some of the food and nutrition questions, international affairs. All of that is, obviously, grist for the public policy mill, but you have to look at your core competencies as an institution, I felt, and ours were not in that area, those areas, they were in conservation, and that was the heritage; that's where the credibility of the organization lies. But, when you get caught on this direct mail treadmill, you have to do that which is going to bring the dollars and members through the door. That changes. There are fashions in these things, and unfortunately, I think the club was tempted by that prospect.

LAGE: So you see that as being the driving thing, more than volunteer—

WHEELER: Well, the club had a very assiduous policy-shaping and priority-setting apparatus, which every year perked up from the chapters, through the regions, into headquarters,

and which was ostensibly the blueprint for that year's activities. But you'd be hard pressed to find a reflection of those priorities in the direct mail.

LAGE: I see.

WHEELER: So, yes, those are our priorities, but we know the reality of the situation, which is that we've got to raise money in order to do that, and those may not be the things with the most popular appeal. You get a little bit of a schism there. I'm getting ahead of myself here, but I felt very strongly about direct mail. I'd had an experience with it at AFT and I began to see that it is, in fact, in effect, self-defeating. You attract the members, you have to feed the members, keep them engaged, it is a costly process. Typically they don't pay their own way. And yet once you have that membership base, you're loathe to lose it, and thus must put a lot of money into maintaining it. The fall-off rate is substantial from year to year. So that became an issue.

LAGE: Are you saying that you also tried to move them away from direct mail?

WHEELER: No, I didn't altogether, but I thought, well, let's have direct mail that's honest and rational and which focuses on our priorities. When I say honest, I mean, let's not exaggerate the problems, let's say, "Here is a real problem, here is what science tells us, or public policy dictates; and here's what we can do about it." Not overstate our influence. Because I would get letters written by the outside consultants, typically, and you'd be reluctant to sign them, some of them were so inflammatory. I thought the hyperbole was not useful.

LAGE: Oh, that's interesting.

WHEELER: This is another of the things I discussed with the board, I said, "You know, if you want to be credible with a broader constituency, you have to sort of refrain from the bashing of one president or another, you just have to take a more, what I would call rational approach." Because they've heard it before from other executive directors, the

consultants said, “Well, why don’t you try a piece, and we’ll test your piece, your ‘rational, thoughtful, constructive’ letter against the hyperbole?” And of course, the hyperbole wins every time. [laughter] Point made, so if you want to stay on the treadmill, you have to do what is required to be there.

Let me say about the interview process as well—I did have, and this came to be a little bit misunderstood later on, I did have a very strong warning, and in fact, a counsel from McPherson about the negotiations, that I ought to get an employment contract with the club, that this was recognized as a risky proposition, and that I was leaving a promising career in AFT and the connection with the Rockefeller family that I had worked hard to establish, moving my family to the West Coast, all of that. So the club agreed to a very generous compensation package. But I insisted that in the event that I did not stay for the term of the contract, which was five years, I would be compensated for the period not actually employed. That was later called a payoff, or somehow that I had misappropriated funds that I was not entitled to, but that was not the case, of course. So the contract gave me some stability in that situation, so I’m not going to be out on the street if this doesn’t work.

LAGE: Yes. I’m not sure how we should proceed, because I’d like to know how you—so let’s just go chronologically, how you started working within that organization.

WHEELER: Well, a very important part of it was that Mike McCloskey had been there, there was a great respect for him, I have personal respect for him, but we agreed, he and I, that it would not make sense for him to be sitting there in the same office doing some other job while I had taken the job as executive director. He agreed, I think, very generously, to move to Washington.

LAGE: Did you suggest it to him? Or did he come up with it?

WHEELER: No, I did not. I think the board—the board wanted Michael to retire from that position. I think they felt he'd been there long enough, they had this theory about the broadened constituencies and all the rest. He was not as much inclined to outside activity as I think the board wanted, and I had suggested. He is very much interested, was interested and still is, in the international aspects of environmental policy, and decided because he had never worked in Washington, to move to Washington—we kind of traded places—work out of the club's office there, and devote his efforts to international activities. Working closely with the staff on international activities, which was headquartered in Washington, and the board committee that had that same interest.

LAGE: So that could have been an awkward situation.

WHEELER: It could have been, but it turned out not to be awkward at all. As my relationship deteriorated with the club, I'd go back to Michael and he was very good about providing advice about individuals and pitfalls.

LAGE: He knew everybody. [laughter]

WHEELER: He knew them all. And he was good about that. Not unprofessional, and guarded. But I said, "Michael, how did you endure this? It's such a quagmire." He said, "You just put your head down and ignore it." That was his theory. Well, that just wasn't my approach to the job. I didn't think I had been hired just to sort of be a goal tender, I was there to try to move the ball, as it were. But that was the explanation for his success. His personality was such that he let the waves roll over him, and I just couldn't do that, I didn't think I was supposed to do that.

LAGE: Well, describe some of the waves.

WHEELER: Early on, there weren't any. In the earliest going, I saw the job as entailing both the inside and the outside responsibilities. I had, I thought, three constituencies—well,

actually more than that—but three: the staff itself, who although they professed great deference to the volunteer leadership, are running the organization. The board, where I knew I had some friends, and maybe some who were not so enthusiastic. It was never clear to me until later that there had probably been a fairly strong division within the board about the advisability of hiring a Republican executive director and the volunteer membership.

LAGE: So it may have been a closely-split board.

WHEELER: Right, it was not represented to me—this great enthusiasm, good feeling, all that. Then the third, and I took a lot of pains to do this, the volunteer community, who I thought would be a little suspicious or skeptical of me. I mean, there were almost immediately rumors that I was a plant of the Republican National Committee, that I was there somehow to subvert the organization. I spent a lot of time traveling around the country on weekends, which is when they met, typically, at the chapters, introducing myself, trying to find out how they worked, what they expected of those of us at the headquarters. Those were tremendously interesting meetings to me.

LAGE: Tell me, give me a couple of examples, because I think you had such an interesting perspective, coming from the outside.

WHEELER: Well, you know, they would meet on a monthly basis in some cases, and the club is rife with committees and subcommittees and boards. In California alone you have California chapters, and you have then a sort of California super-structure from the national organization, so you're never quite sure what the path might be. But I made it a point to meet the leadership, and I would go to a weekend retreat, let's say, in Ohio. Typically they'd meet in a state park or in some natural area. They were always, unfailing, excited at the prospect.

LAGE: Of your coming?

WHEELER: Oh yes. Michael maybe early on hadn't done a lot of that, maybe he did. Certainly in the end, he did not. He just, as I said, minded his knitting in San Francisco. I always received a very warm welcome, and would explain kind of what I hoped could be accomplished, that I felt the strength of the organization was in its volunteers, that I wanted to hear from them, that I wanted better communication between the headquarters and the field. I had sensed some disdain on the part of the staff in San Francisco. They're there to support us and sustain us, but we don't really have to pay too much attention. They're certainly not sophisticated enough to understand the things that we at headquarters understand. I found that not to be the case. These were really genuinely committed people, interested in their community—mostly interested in their community.

Everybody got a start in the club because of some local issue. Most of them were not of the cadre that were recruited by direct mail. So it was kind of a dichotomy. Those people wanted service from the club, they wanted support for the activities and for the issues that concerned them locally. They were there. Then there was the group that were out there that was recruited by direct mail; they didn't have any personal contact with the club or its apparatus. They were interested in the issue, or they were interested in civil rights or nuclear proliferation, or whatever issues, immigration, whatever issue was used to recruit them. So they belonged to a national organization as an advocate. Then there was the group, the really sort of hard-core group that were the outings people, and the people who were the heirs of the John Muir heritage, who saw the club as a way to get out of doors, basically. So you had lots of different currents there, and they each of them demanded different things of the organization. But at those meetings, I would talk to people informally. As I say, they couldn't have been more accommodating. I did discover that for many of these people, their

involvement with the club was the focus of their lives, it was really incredible commitment and loyalty, to the exclusion of politics or church or family even, in some cases. Their jobs day in and day out were not so important as the work they did for the club. The club became sort of the means by which they would achieve success, personal fulfillment. You work your way up through this very elaborate structure. It has an interesting effect, because by the time you get to the top of the ladder—

LAGE: These are local people who have worked themselves up the national structure?

WHEELER: Yes, ultimately you have to put years in at the local level. You get elected to the chapter's conservation committee, then the chapter's board, then maybe the state apparatus, then finally to a national committee, then a national campaign to be elected to that board. Once you get to that board, you have been shaped by this experience—to a man and woman, they shared this same fervent commitment to the club as an institution, which is a good thing. They tended not to have a life other than the club, which is not such a good thing, in my view. And they were typically the people who were the most ardent, the most vociferous, the most radical. That made for very difficult board relationships.

LAGE: So these are the people on the board.

WHEELER: Yes. It's a self-selection process. You become known as a club leader through the strength of your advocacy, your vehemence, your passion, your fervor. It's all to the good, but it has its downsides when you are responsible for managing a \$25 or \$30 million institution.

LAGE: Very interesting. So how did that work out in terms of—

WHEELER: So it worked out that I was probably trying to do too much. Keeping the staff comfortable with me, building some relationships with the club's membership in the field, reaching to the national organization, the people that I was expected to reach

outside the club, and then trying somehow to relate to this advocacy constituency. All of that is more than one person can do. I made a very critical mistake, I understand now from past experience, not to have brought some people with me from outside who I could have worked with. That is, it is always good to have someone in whom you can confide, with whom you can work constructively or cooperatively. There just wasn't that rapport. People were suspicious of me at the club, the senior—

LAGE: You're talking about the senior staff.

WHEELER: Yes, right.

LAGE: So you had no one of your own.

WHEELER: I didn't have anyone of my own, and didn't know those people particularly well, so it was a hard thing to do. Not that we didn't—Carl [Pope] was there and Bruce Hamilton, folks who I came to know.

LAGE: A lot of them had worked with the Democrats, I would say.

WHEELER: Of course, and I think some of them were very skeptical, and maybe I would have been too, of my circumstance and my arrival, suddenly dropped in from outside.

LAGE: I wonder if any of them had thought the selection should have been made from among the senior staff. Did that ever surface?

WHEELER: I don't know. That could have been a factor, obviously, I don't know.

LAGE: And Doug Scott was there.

WHEELER: Doug Scott was there.

LAGE: Let's see, I'm trying to think who else.

WHEELER: And I think they all of them saw some promise in the board's precepts, but they found it difficult, personally, professionally, to sort of acknowledge that maybe there was another point of view that ought to be considered. It just had been so long.

LAGE: Point of view, politically?

WHEELER: Right, exactly. That a moderate Republican ought to be considered, or that the club might consider endorsing Republican candidates. That was heresy. So that was always sort of a tension.

LAGE: What kind of a manager are you, were you? Were you hands-on?

WHEELER: I think I was hands-on.

LAGE: I'm just talking internally, now, with your staff.

WHEELER: No, you know, it's a little difficult because I had to get to know the organization, and as I said, there were these many different responsibilities. The argument later was that I was too much a corporate leader, that is, I was trying too much to provide direction from the headquarters, that I expected discipline, I expected adherence to goals that we would agree and establish. That may be true.

LAGE: What would be an example of that?

WHEELER: Two examples: the question of the goals: you would establish, let's say, that we wanted to be working on implementation of the Farm Bill, we were successful in getting that enacted. That was a priority that we had the board support for and the membership support for. That meant we had to go out and explain to members of the club that we were not going to spend as much time this year on your issues because we decided to adopt farm protection, let's say. Staff were loathe to do that. First, because they had some personal issues they would prefer to deal with, second, they didn't want to confront the membership. They didn't like this idea of saying, "This is the way it's going to be." We had to accommodate all points of view as they flow into San Francisco. That made it hard to get the focus and priority that I thought we needed. Second, and this was really rankling to me, what I thought they expected of me, the political endorsement process was such that it was driven—again, they would always say we do what the locals want—but in fact, there was a strict sort of hierarchy. In

local races, the club's chapters would have some say, but further up the line, the national PAC had more responsibility, et cetera. It would always be the decision of the senior staff. And it was inevitably that they would endorse a Democrat, often before knowing who the Republican would be. I would say, "How can you do this? How can you be credible?" Let's say the Democrat is an extraordinary conservationist, as was the case with Alan Cranston, who was then running for reelection. But I said, "You don't have credibility if you don't interview the Republican candidate. What incentive do you provide to Republicans to adopt environmental policy, if there's no prospect of their becoming a Sierra Club endorsee? If, in fact, you won't even talk to them, that you make the decision before they're nominated?" It was like beating your head against a wall on that subject.

I would hear that—I would go around to Republican offices on Capitol Hill, thinking this was my job. I remember particularly Congressman Green from New York, very strong, had a strong environmental record. He said, "Let me tell you. You come here to tell me that the club wants to support Republicans, and wants support from Republicans. Let me tell you what happens when I'm up for reelection every couple of years. The club will not even ask to interview me, to see me, and will endorse the Democratic opponent." He said, "Do you think that's any incentive for me to act as the club would want me to act? Of course not, I might as well ignore the club, given that they're not going to pay any attention to my record." He said, "I've got a good record." I said, "I have to agree with you, Congressman. I'll carry that message back." But no one wanted to hear that.

LAGE: Now, from interviews I've done with club people, I got the impression that these endorsements were made by a volunteer-run committee. The SCCOPE [Sierra Club Committee on Political Education].

WHEELER: Well, that's right, the Sierra Club Committee on Political Activity. That has sort of a parallel apparatus, local, state, national, to the club's own hierarchy. The fact is, there's a very strong influence from the club, politically.

LAGE: From the staff.

WHEELER: From the staff, yes. The staff will say, "You shouldn't think about talking to a Republican, or endorsing a Republican."

LAGE: So this—it sounds to me from what you're saying, tell me if I'm wrong—was that the Republican issue, your being a Republican, was maybe the major irritant.

WHEELER: Oh, I think it was. It's a plus and a minus. It's the reason they hired me, I'm convinced. But it's also the biggest irritant to the people who were not convinced that this was a good idea. It was later said that—and I think it is true, that I tried to do too much all at once, and there was a kind of argument concerning the budget at the end that was really insubstantial, but I think it came to that. I think what happened was that the board's—I know the board's makeup shifted, and what would have been a pro-expansive majority became a minority. And as soon as that happened, there was rank dissatisfaction with my being there and my performance.

LAGE: So there was a [club] election in the midst of your time.

WHEELER: Correct. There is every year. And there are these shifting preferences and alliances, depending on who's elected.

LAGE: Did you find these top volunteers difficult to work with?

WHEELER: No.

LAGE: I'm talking about the board.

WHEELER: Oh, some were very difficult to work with. Because, as I said, they are people who came to these positions on the strength of being disagreeable. [laughter] That's probably an exaggeration.

LAGE: They're very political.

WHEELER: Political and assertive, and authoritative. That's how they got where they were. As I said, many of them lacked what I would call balance in their social or professional lives. They didn't have professional lives, or if they did, they were quite minimal, compared to their commitment—understandably, the club took huge amounts of time. If you played the club's infrastructure, as many of them did to get where they were, you had to devote hours and days and weeks to meeting, constantly, more meetings than I've ever seen in an organization. That was not just the means to an end, that was the end, those meetings were the purpose of people belonging to the club, to interact with others, to devise programs, to move them up to the next rank in the hierarchy. It's a unique institution in that regard.

LAGE: It really is. As you see those meetings, and then you describe the strength of the staff, the volunteer meetings being so important to those involved in them, but you're describing a very strong staff.

WHEELER: Yes, so there was inevitable tension. They would say, the staff would not say to the volunteers, of course, all of that really was a way to keep the volunteers engaged but not to give them any real influence.

LAGE: Like a sandbox.

WHEELER: Yes. I mean, that's an overstatement. Because the people who were active locally and had local issues could be effective when they were given complete latitude locally. The people at headquarters really didn't care a whole lot about what was happening locally. That was sometimes the basis for complaints from the chapters, "Why aren't we getting more attention?" The club, at the headquarters, looked at itself as a national organization with a focus on national issues, appropriately. But there was need, I thought, to give some support to these people on local matters. Most of the people

from that cadre, or that component of the club, came to the club because of their involvement, as I said earlier, with a local issue or concern.

LAGE: Did you feel that these national committees and the board affected policy, and moved forth the conservation and environmental agendas?

WHEELER: Oh yes, they did. You mean, was the organization ultimately effective?

LAGE: Well, I meant the volunteer side, or was it a sandbox?

WHEELER: Oh yes, once you got to the national committee level, there would be a committee on international activities, there would be a committee on public lands, committee on forestry, you then had board involvement, you had the most senior staff, you had more than ritual adherence to the priorities. You had real concern about those priorities and their development. I said, "Look, if we're going to take these priorities seriously, we're going to have to marshal our resources and focus. We cannot allow ourselves to be distracted. We have to build these coalitions, and we have to bring Republicans to the table who agree with us." All of those things seemed to me the way to get to where I thought the club wanted to be.

LAGE: One thing that's brought up often is the logo, changing the logo. Is that something that stood out in your mind?

WHEELER: Ugh! I didn't give it a thought! That just shows you how insensitive I was to the history of the organization. I forget who it was, but it was someone within the organization or a consultant to the organization, not someone of my choosing, who said, "Hey, we ought to bring the club's appearance more up to date, including the logo and its stationary. It's a changing of the guard, it's a chance to make it more modern." We had just moved into a new headquarters building, we had to reprint the stationary with the new address. I said, "Fine, let me see some ideas about that." Of course there is a record, replete with changes over the history of the club, as you

would see a logo change in a commercial or other setting, you can expect it to change over time, yes, indeed it had. So I said, “I like this,” we talked to the staff about it, we said, “Which do you prefer of the options?” We agreed on one. That was that, it was not a matter, to show you how naïve I was, that I thought required the attention of the board of directors of the organization. That is, what logo are we going to put on our letterhead? This turned out to be a matter of great importance to them. So I misjudged that completely.

LAGE: That’s so interesting.

WHEELER: It was hardly radical, it was nothing about the changed logo, it was just a more contemporary look, I thought, and the staff seemed to agree with me. If I had been more attuned, I suppose, more sensitive, I could have picked up, but never did hear any sort of cues from the club, from the membership, the senior staff, saying, “Well, we don’t do this lightly around here. The board will want to approve the new stationary.” It didn’t occur to me, and no one said that to me. Either they wanted to see what would happen, or they just didn’t—they agreed with me that it wasn’t worthy of the board’s attention. Whatever happened, the board didn’t like it. And we devoted a big portion of a meeting to that. With the world falling down around our ears, we were devoting half a day of a quarterly meeting, talking about the letterhead.

LAGE: Did you do lobbying with the Reagan administration?

WHEELER: Yes.

LAGE: And how did it, can you think of an example?

WHEELER: I mentioned talking to the people on the Hill. I was particularly interested in Farm Bill implementation. I had gotten to know Jack Block, who was then secretary of agriculture from Illinois. I said, “You, as secretary of agriculture, and the administration have a chance here to take an issue that is quite significant to you and

to the conservation community and to build on that record with the environmental organizations who have not ordinarily been your friends, including the Sierra Club.” They were very interested and supportive of that. So too were people at the National Park system. These were people who knew me from another context.

LAGE: Bill Mott was National Park Service director.

WHEELER: Yes, right, he’s Californian, I knew him. They were naturally inclined to be sympathetic to the club, and the club’s perspective. They said that by my showing up on the doorstep, representing the club, it would make it easier for them internally to accept advice from the club. That is, when people would say, “It’s the Sierra Club,” they’d say, “Not the Sierra Club, it’s the Republican executive director of the Sierra Club, who has the inclination to be supportive of the administration and wants to see common ground established.” I thought I was fairly effective in that. The most effective thing, as it turns out, was a relationship I established with Pete Wilson. I had identified members of the Congress who might be sympathetic, who had not been approached before, who could be enlisted in the club’s issues. I thought none would be more influential than a Californian. Pete Wilson was someone who had been on the board of the Conservation Foundation, had a record as a strong conservationist in San Diego when he was mayor. That was ideal. So I set up some meetings. I didn’t know him. I set up some meetings with him, with his staff, brought staff from the club. I said, “Look, we want to know what your agenda is, we want to help develop that agenda, we want the club to support that agenda.”

LAGE: How did that go?

WHEELER: Very well, very well. Not that they endorsed them, of course. [laughter]

LAGE: But did he endorse any of the club issues?

WHEELER: Oh yes, very much so. I think he was genuinely interested in ways that they could work together. This was a novelty, for the Republicans, this was a novelty. So much so that some were just incredulous. This Bill Green from New York said, “This is a pipe dream. This isn’t going to happen. You may think it can, or you may think it will. Believe you me, I’ve lived with the club at the local level and you’re not going to change their feathers.”

LAGE: Was Pete Wilson more hopeful about it?

WHEELER: He was more amenable. He was more open to it, I think. I think that’s because he came from California, understood that the club was an important institution in California. And I think he wanted recognition for his—I think he thought it was possible that he would get recognition for his environmental credentials.

LAGE: How about relationships with James Watt? He was still there at Interior then?

WHEELER: Yes, he was there at Interior. I knew him when I had worked at Interior. He was then the director of the Bureau of Outdoor Recreation. And he was kind of an odd duck from the start. We were both just then starting out. I just didn’t think he was the right person for that job. I didn’t think he’d performed it particularly well, I don’t think there was any degree of mutual respect. I can’t say that I had much influence there.

LAGE: Did you try?

WHEELER: I tried, but not with him, but with subordinates, the assistant secretary, the undersecretary, might have been more amenable to talking. I think I would probably say that I spent more time on Capitol Hill than I did with the administration, just because that’s where the club’s agenda would be more readily affected or more readily implemented.

LAGE: I’m forgetting my dates here, but the club did have the petition drive against James Watt. But that must have been—

WHEELER: Yes, that was not while I was there, so that would have been subsequent.

LAGE: It must have been after.

WHEELER: Yes.

LAGE: Would it have happened, had you been there? Would you go that direction?

WHEELER: I'd say, I would not have opposed it, I don't think. I did agree that he was not the right person for that job. It's sort of a futile effort, however. I might have said, "Look, it's another of these sort of tilting at windmills exercises. You're not going to get him to resign by sending petitions. You'd bring public attention to the issue," which is probably what they wanted to do.

LAGE: But would that type of action have fit your temperament, sort of, or your—

WHEELER: I wouldn't say necessarily not. I have respect for the club and its ability to galvanize support around an issue. But I wanted, as I said earlier, I wanted it to be logical, rational, defensible, and that might not have been a rational thing to do. But it had its other attributes, the public relations value was quite high.

LAGE: Sort of like direct mail.

WHEELER: Sort of like direct mail.

LAGE: I think it got a lot of new members.

WHEELER: Yes.

LAGE: Well, are there legislative victories from that period that you recall?

WHEELER: We did work on some wilderness bills that were successful. Of course we followed closely developments with respect to implementation of the parks here. There was a controversy, continuing controversy about the Yosemite management plan at that time.

LAGE: As there is now.

WHEELER: And now. We weighed in on that, I thought, to good effect. The club had some particularly good people working on that, locally. So I would say we did achieve a degree of what I wanted and I thought the board wanted, which was an open door in Republican offices. I wasn't there long enough to see the payout of that. Would the club really follow through and endorse candidates—because a member or two would shut the door, as Bill Green did. Others would say, "Let me try. I'll support your bill, I'll vote for your priorities, but I'm going to be with one eye on what happens on the next endorsement cycle." I never saw that through, whether people felt their efforts had been rewarded by the club.

LAGE: Did you bring this kind of thing up to the board? The fact that Republicans were not endorsed or considered?

WHEELER: Oh, yes. They were very curious, of course, to know how I was being received, or how the new strategy was working. Yes, I would make reports to the board, and I would express personal dismay. I'd say, "You know, this effort is being undercut by our failure not only to say we're open-minded and balanced, bipartisan, but by not acting bipartisan." I said, "It won't work. We can't say one thing and do another."

LAGE: Did you move, was there a policy issue on it?

WHEELER: Not a policy issue. But they would say typically, "Well, that's the SCCOPE, we can't—"

LAGE: SCCOPE being the volunteer committee.

WHEELER: Yes, right. Because they were all either veterans of it or chair people of it. There were board members on SCCOPE. Another interesting dynamic was the relationship with the Sierra Club Foundation and the Sierra Club Legal Defense Fund. There, too, you had tensions between the organizations, particularly over the amount of money that was being contributed by the club to Sierra Club Legal Defense. It led ultimately to

the separation of Sierra Club Legal Defense from Sierra Club, because they couldn't—there was a difference of view of whether Sierra Club Legal Defense was the Sierra Club's lawyer, or whether they happened to be a law firm that did legal work for the Sierra Club and it could have other clients with other priorities. That was a matter of great moment, and so, too, was the foundation.

The foundation, this was another area in which the club knew a different approach might be useful. The club's corporate foundation march donor gift base was very small. It subsisted largely on the dues of members. Because of its politics and its policies, it rarely attracted the kind of support that other groups had. I think they kind of wanted some of that. The vehicle for getting it, mostly—the club had its own fundraising effort, but the vehicle mostly was the Sierra Club Foundation. The people there, as you would expect, were people of substance and influence and balance, who kind of said, "Look, we can't go out there and raise large amounts for the club unless we can indicate that they're acting responsibly with this money, that we can be accountable to them, particularly corporate donors." So there was a little tension there. I must say, the foundation was more successful than I thought it would be under the circumstances.

LAGE: More successful in raising funds?

WHEELER: Yes, because they were quite a bit independent, they didn't take much direction from the board, and that rankled the board. The question was, "Who's running the show here? Are they raising money for us, or are they raising money to be spent as they want it to be spent?" It's an analog to this legal defense fund. They had a separate staff at the foundation; they had a separate board. There was some cross-over, the club always wanted board members of the club on the boards of these other organizations.

But they pretty much went their own way, and, as I say in the case of the foundation, were quite successful.

LAGE: I think later the foundation came under closer—the fundraising mechanism came under the club.

WHEELER: It integrated, yes. The fundraising of the club's ordinary sort was always the province of the staff, the direct mail, the membership dues, the rest. So maybe the corporate and the foundation work, the large gifts, did become less the work of the foundation, more the work of the staff.

LAGE: Then, of course, a lot of the club was suspicious of corporate donations.

WHEELER: Of course.

LAGE: And how they can affect policy.

WHEELER: Of course, there is a dichotomy there, too. We would talk about the magazine, I felt the magazine would be a terrifically important tool to reach a large audience. This question of how to keep the membership engaged usefully. Once you have them, you have to provide benefits as a way of securing renewals. They wanted advertising, badly, corporate advertising. I said the same thing to them as the foundation said, "Look, you cannot say one thing and do another. If you really want corporate support, you have to act responsibly vis á vis—not to say that you have to do what they want you to do, but you have to appear to be credible, constructive, and reasonable in your approach." That was a tension.

LAGE: For the staff or the volunteers?

WHEELER: The magazine staff understood that. They were trying to put out a professional publication. The rest of the staff didn't like the idea of taking commercial support.

LAGE: Did you have anything to do with the books program?

WHEELER: Yes. It ran pretty much independently. There again I had the same sort of set of issues. For one thing, it was not profitable. Very little of what the club did, the magazine, the books program, outside of its day-to-day work, could be said to be profitable. The books program required a subsidy. For that reason, I felt that the club should be a little bit more mindful of what might be saleable. It was clear that the executive director had very little say about that, about the books program. But again, the titles tended to be quite obscure, sometimes on issues which were not consistent with these priorities the club established. Those were independent decisions.

These kinds of structural questions—I had seen in my mind’s eye, I never, thank goodness, had the temerity of suggesting this—there’s Sierra Club, and then multiple functions of the Sierra Club: Sierra Club books, Sierra Club outings, Sierra Club magazine, foundation, legal defense. All of those were contributing to a common goal and could be made to be very influential, if each of them would pull their oar in the same direction. It just wouldn’t happen, it couldn’t happen. So to get that to happen, you had to assert yourself—they said it was too corporate—you had to assert yourself in a way to say, “Hey, don’t we all agree on this? Aren’t we all working in the same direction? I don’t think books ought to get as much money if they’re not willing to cooperate or to support our program, publish books that are supportive of the club’s view.” “Well, this is a matter of freedom of the press, or intellectual integrity.” I said, “Well, those people can go elsewhere. We have a mission. This organization is here to get conservation done.” It just couldn’t be done, and to do it made one seem as if I had a personal agenda or that I was being autocratic. There’s just something institutionally inconsistent with that method of management and this volunteer-driven, multicentric organization. Books was doing its thing, the magazine was doing its thing, the

foundation was doing its thing, the legal defense fund was doing its thing. And it will never change, in my view.

LAGE: You've made a good description, it seems like. [laughter]

WHEELER: Well, it's just—in the end, and I fault myself as much as the club for this, it just was not a good fit. They didn't want my management style, they didn't want my politics, as it turned out in the end.

LAGE: Was your management style authoritarian?

WHEELER: I didn't think so. I've had reason to demonstrate for eight years in Sacramento that I am an effective manager. It's just that this is an unusual place, and it takes an unusual person. I came to conclude that you had to be like McCloskey. You had not to take bold action, sort of tacked, and diverted, and attempted to get indirectly what you want. He was very good at that. Michael was not devious, but ingenious in his approach to these things. Because he knew the people, he knew their foibles, and kind of can avoid the pitfalls in a way that I could not do, certainly not in eighteen months or two years.

LAGE: Well, when the end actually came, it was the staff that was unhappy with you, it seems.

WHEELER: I guess. They went to the board and said, "This isn't working."

LAGE: Was there something that prompted that?

WHEELER: Not that I know. I think it was just an accumulation of these things we've been talking about. The pretense was a budget issue, the club had always had budget issues.

LAGE: The budget was where the priority things kind of got set in stone.

WHEELER: Yes, that's right. If you don't have enough income to cover expenses, you're going to have a budget deficit, and we were looking at the prospect of a budget deficit, but there had been one when I came in, and it was not deemed catastrophic. Because they

knew the contract that I had would enable them to escape the financial obligation to pay out the life of the contract only if they could dismiss me for cause, so they were looking for cause, and that was sort of malfeasance in management of the budget.

LAGE: It wasn't where you wanted to allocate the budget, but the fact that—

WHEELER: No, that's right. Well, it might have been that too, but the fact was that we were showing a shortfall, and I hadn't done enough to prevent that from happening. In the end, the board, the majority had shifted, it was clear that there was a majority who no longer thought it was a good idea to have a Republican there. The staff resistance made it hard to have me continue as executive director. It was very, personally for me, it was very traumatic.

LAGE: I would think so, a kind of ugly scene.

WHEELER: Because I had sort of taken a big gamble, and it looked to me like the gamble hadn't worked. And I put my family through a lot of dislocation. The kids were in school out here. In the end, as so often happens, it was probably the best thing that's happened in my career.

LAGE: Why is that?

WHEELER: It gave me a real understanding of how such institutions function, so it was a learning experience. But it put me on the trajectory to do the work for Pete Wilson that I did in Sacramento.

LAGE: Because of getting to know him?

WHEELER: Exactly, and becoming seen or known as a Republican who could be looked to for balance on these issues, who could look for the middle ground and find workable solutions. The problem with the club's approach, then and now, is its kind of "take no prisoner" approach. You either prevail or you don't prevail. So the perfect is the enemy of the good, more often than not. I think the record increasingly shows that

these issues are complicated. They do not lend themselves to simplistic or draconian solutions. It takes a lot more work and a lot more consensus-building than the club is capable of providing. I think it's lost its effectiveness in lots of ways.

LAGE: Because it's not into mediation?

WHEELER: Not engaged, seen as overtly partisan, seen still as having an agenda much different from the conservation agenda, and seen not really willing to engage in compromise on these critical issues. I was devastated at the time. I thought I had failed in doing what I had wanted to do there. I came back to Washington to work for Bill Reilly [William K. Reilly] at the Conservation Fund, I'm sorry, the Conservation Foundation. It had just become a part of the World Wildlife Fund. Because Reilly had been the head of the Conservation Foundation, I told you, had been a sponsor of the American Farmland Trust, I had known him for a long time. When he was asked to head up the World Wildlife Fund, he said, "I'll only do that if the Conservation Foundation is part of the package." The two organizations affiliated. He wasn't there long before—when was Bush elected? He became EPA [Environmental Protection Agency] administrator, so I came back in 1987, that election was in 1988, so I was there for a year with Bill at the Conservation Foundation/World Wildlife Fund, and then Bill went off to EPA.

LAGE: Interesting. Now, you wrote a letter, an article, in the *Washington Post*, what was that?

WHEELER: Yes, right. The club was furious about this. I came back to Washington, and a woman I know, Jody Allen, was then the editorial page editor of the *Washington Post*. She called me and she said, "Doug, you must have learned something in this experience." I said, "Did I learn a lot in this experience!" She said, "Would you be willing to write an op-ed on your view from the inside?" I said, "This is going to be seen as a bit disloyal." In fact, I had a sort of nondisclosure provision in my termination agreement with the club. But I said, "I think I can make some general observations that are

instructive to the well-being of not-for-profit conservation organizations based on my experience.” So I wrote an op-ed that the club did not like. McCloskey called me to say, “Hey, this is not going down too well.” I said, “I knew it wouldn’t.” But frankly—

LAGE: You didn’t care at that point.

WHEELER: I didn’t care.

LAGE: Well, what was the op-ed?

WHEELER: But, the most positive or, in the long run, productive outcome was that Bob White called me, who was then Pete Wilson’s chief of staff in the Senate. He said, “Doug, I read that, you could not have expressed more clearly the senator’s sentiments. He had been exposed to the club as a result of your interventions, tried to work with these people. They just don’t see that their efforts, that their attitudes are self-defeating.” That was the point I made, essentially, that if the club truly wanted to be effective, it was going to have to work—and I said this, not in terms of the club specifically, but as to environmental organizations generally—it’s going to have to understand that it needs to engage the private sector, it has to be bipartisan in its approach. It has to be credible, it cannot rely on hyperbole or misstatement or exaggeration. All the things that you and I have talked about. I said, “I think until that happens,” this was at the advent of the 1988 election, I said, “until that happens, this is not going to be a serious issue. People will not take seriously the warnings of the club or any other organization about the need for a political agenda around the environment.” Her opening question for me was, “Why isn’t the environment higher on the list of policy priorities?” I tried to say that I think the organizations, like the club and others, had failed, if that was the measure of success.

LAGE: So that was the question you were answering, why the agenda, the political agenda didn’t reflect that?

WHEELER: Right, and why aren't Republicans interested, and how come there isn't more support generally for environmental programs.

LAGE: It [your opinion piece] was also described as being somewhat critical of the Reagan administration.

WHEELER: Sure.

LAGE: For appointing insensitive administrators.

WHEELER: Absolutely. I said, "Look, there's plenty of fault to go around." I didn't intend for it to be a club-bashing exercise. That was the question she had asked, why aren't Republicans—?

LAGE: So you weren't keen on some of the Reagan appointments, compared with your experience at Interior?

WHEELER: No, I didn't think—Interior, and—Nixon, for all that people would say about Nixon, Nixon was an excellent environmental president. That had been my sort of point of reference for a Republican presidency on these issues.

LAGE: Quite an interesting interlude.

WHEELER: It was. Looking back, as I say, on it now, my life would have been a lot different had we not—I would not have been introduced to California, which is now a great part of my life. I would not have had the opportunity to work in Sacramento, which was tremendously important. And I would not have had the understanding of the sort of workings of a not-for-profit like the club, without it. People in Sacramento, where things were always changing, always sort of treacherous, or potentially treacherous, would say, "How can you stand this?" I said, "If you've worked at the Sierra Club, even for eighteen months, this is nothing compared to the backbiting and the infighting and the intrigue of the Sierra Club." It really was, so it prepared me for that.

LAGE: Which you only alluded to, or maybe that's all you need to do. [laughter]

WHEELER: Well, I just felt, I mean with respect to that, I felt the board, in the end, behaved quite badly. At least some of them, with respect to the situation. They brought me there, they knew what to expect, or should have. They, after an eighteen-month period, decided that's not what they wanted. Well, they were, I think, unrealistic in their expectations, that all that they wanted to accomplish would have been accomplished in that period. Then they sort of conjured up the reasons to sort of break the relationship.

LAGE: They had a staff revolt, I'm told.

WHEELER: Well, staff, what is a staff revolt if you're not able, as a board, to say, "Hey, this is the guy we hired, we have confidence in him, short of malfeasance, we've got to give him a chance." They didn't do that. Because they were—there were little duchies of staff and board members—

LAGE: Duchies.

WHEELER: —that had their own agendas.

LAGE: Were there any board members who expressed dismay to you, at the way it was all handled?

WHEELER: Yes. To the end, Phil Hocker, Phil Berry, and Michele Perrault were supportive, and Ed Wayburn, although I have to say Ed kind of expressed a puzzlement and dismay, not sort of support, but just saying, "Well, Doug, that's the way it is here."

LAGE: He'd been around a long time.

WHEELER: Exactly right. I was a little disappointed, frankly, that he didn't say, "Hey, we're acting irresponsibly in the matter, almost dishonorably." And this business of attempting to say, "Well, we're not obligated to pay out the balance of your contract." I said, "I'll take my case to the world, you take your case to the world," and in fact I engaged a lawyer, "and we'll see who's acting dishonorably," and that was pretty quickly

resolved. I thought they could have been much more professional in their approach.

But this is not an organization with a high level of professionalism.

LAGE: Right. Now, Denny Shaffer was a big power in the club.

WHEELER: Oh, yes, and he was probably the worst of the group. I'm sure he was the one who was most opposed to my being hired and remained opposed throughout. Denny was the epitome of the person whose life centered on the club, who outside of the club ran a series of little dry cleaning shops and he collected quarters out of the machines. And he told you this, "I live for this place, I'm not going to let you tamper with this place." I said, "I'm not tampering with the place, I was asked by the board to come here and do a job." He was truly antipathetic.

LAGE: Interesting organization.

WHEELER: It is. I think now I understand why it is, and I think if I had done more due diligence, I could have understood that it was not going to be a good fit. But I was truly excited at the prospect, and encouraged by people who said, "This is really a wonderful opportunity. We could change the nature of the organization." That organization did not want to be changed.

LAGE: Do you have any thoughts on the current, well, now, just resolved, upsets over the immigration issues?

WHEELER: Yes, I do. What it says to me, I happen to believe that those are right who say that population growth is our biggest environmental problem, I don't attribute that all to immigration, but I do think illegal immigration is a problem. But what this reflected was what I thought an entirely inappropriate attempt by the senior staff, Carl [Pope], to perpetuate themselves. It is unthinkable, or it would be in an ordinary circumstance, that the staff would take sides in a board election. If you thought about it, if you were in another nonprofit or a corporation, this is a matter to be resolved by the board itself,

and by those people who elect the board, not by the staff to take sides or endorse candidates, or use the club's resources, as they try to do to demean the other candidates. These other candidates, some of them were quite reputable people. And they lost, but they probably didn't get a fair shake, owing to the dynamic of the staff wanting to preserve itself. And it came down to that.

LAGE: It was also what you might call the volunteer establishment, that did, that was the only campaigning that I took note of, really.

WHEELER: Yes, oh yes. Well, I saw it in the mail, of course, and the legal skirmish. It was the status quo that was protected here. And you can argue whether it should have been protected over this issue or not. I don't think there's any question that the club would have benefited from some new board members, for some people from outside to bring some balance and change direction.

LAGE: That is very interesting.

WHEELER: It's just an affirmation, I took it to be an affirmation of what I had perceived of them twenty years ago.

LAGE: Are you ready to go on, talk a little bit about the Conservation Foundation/World Wildlife Fund and what you did there?

WHEELER: I came back essentially to work with Reilly, who I had known well, and then as he left, got kind of drawn more into the orbit of the World Wildlife Fund. Reilly plays a part later in Wilson's decision, I think, to hire me out here. Essentially, what I thought there was, having seen the problems of growth here, in California, from the Sierra Club's perspective, anyhow, that we should look for the ways to encourage what I call successful communities. We initiated a program, a sort of pilot, we'd go around the country to identify places where these problems of growth and resource protection were being dealt with effectively. Try to extract lessons from those, and then to

replicate those and share them with other communities. We put people into prototype communities, staff people, to work sort of intensively with those communities for a while and to come back then with their own recommendations.

LAGE: Was this a program you started, or was it in place?

WHEELER: No, I started it. Because I saw this growth management issue as being fairly significant. I was trying to find a way to do something for the Conservation Foundation that other environmental organizations were not doing, and that would distinguish its work from that of the World Wildlife Fund, because of this new relationship between the two. That is the project of which I am most proud, in part because we recruited a cadre of very good young people, now all of them gone on to very successful careers themselves, mostly in this area of growth management and smart growth. I also met there Kathryn Fuller, who was and is the president of the World Wildlife Fund, an outstanding conservationist. Talk about contrasts. I had occasion then to go back and see an organization that was well-run and professional and well-financed and the rest. Russell Train, probably the iconic moderate Republican conservationist, was still then chairman of the board. I couldn't help but look at board meetings there and board meetings at the Sierra Club and make that comparison. I think the club would say, "Well, that organization, they're too corporate."

LAGE: It's a very—I assume the board is very different. They didn't work their way up through the organization.

WHEELER: Oh, much! They were elected because they were influential citizens, they had an accomplished business or political career.

LAGE: Appointed?

WHEELER: Well, they were elected, but by the board itself. This notion of volubility was not rewarded up the line. In any event, that was a stark contrast. Here were people that I enjoyed working with, who understood, I think, what it took to get something done, not just to be an ardent advocate, however significant that might be. Then shortly after I arrived back here, that would have been in 1987, the election occurs in 1988, and Reilly is asked to go off to be EPA administrator. Pete is reelected to the Senate, and then in 1990 he is elected governor. I was there 1987 to 1990, worked on this program. Another significant development during that period is that I became very close to Michael Mantell, who was then the general counsel of both the World Wildlife Fund and the Conservation Foundation and later became my deputy in Sacramento, a Californian.

I was also there exposed for the first time, thinking back on it, it's very significant in my life, to E. O. Wilson and this thinking about conservation biology. He was a board member of the World Wildlife Fund. This notion of ecosystems and ecosystem management and habitat and all were sort of just gaining credibility as concepts. Here was a Harvard-trained biologist who gave real credence to these thoughts. It shaped my thinking a lot, when we got out here, to see what we could do about species protection and habitat.

LAGE: Was this from conversations with him?

WHEELER: Yes, and readings, his books. He was even then a celebrity, we all paid very close attention, the staff and the board. He was a luminary, a truly well-regarded figure. That was an interesting period, as it turns out, an interlude. We were happily re-established in Washington. My wife was delighted to be back. We left one son out here to complete high school with a family that we'd come to know, the Cahills.

LAGE: Where did you live out here?

WHEELER: We lived in Marin. He went to the Branson School, and was living with—his last year and we didn't want to take him out of high school—living with a family that he had come to know. A wonderful experience for him, and for us, we know the parents and they're good friends still. Took the younger guy back, who had just finished middle school, and put him in high school there. We were happy as clams to be back in Washington after that traumatic experience. As much as I liked the Bay Area, I love living here.

LAGE: I wondered if you—and did Heather?

WHEELER: She did. She always felt a little bit, sort of, dislocated. And her attitude, I have to say, was colored by what she knew was happening at the club. She, more than I, was sort of skeptical of the socio-political environment there. Did not like the fact that I brought her out here and then abandoned her, essentially, on weekends. I'd work all week, and then go off around the country to club meetings. She said, "Well, I might as well have stayed in Washington for this." But how could you not like it? We were living in Belvedere, and I was commuting on the ferry, we had some very good friends out here. That was all to the good, but she was very happy to be back in Washington. So then, I told you that Bob White had called after he saw the op-ed. I didn't know it, but Pete at the time had said, and this kind of reflected his thinking, he gets elected governor, I had seen him once or twice in the interim, but not much. And he calls, actually, Bob White calls, and said, "The governor would like you to come out and join his cabinet."

LAGE: You were an early appointee.

WHEELER: Right, before he took office. And the only one of the cabinet people to have stayed all eight years. He called, I remember this was between Thanksgiving and Christmas. Heather was just incredulous, "You would not think about going back out there!"

[laughter] But it turns out Reilly had recommended me to Wilson. He said, “Yeah, I think that would work. I know him, or at least I know his thinking.” Bill said, “I’ve worked with him and I can vouch for him.” So I came out to talk to him and to Bob White. They were clearly intrigued. There was a guy named Otto Bos who was instrumental in the Wilson administration early on in San Diego, tragically died within the first six months that we were in Sacramento, playing soccer, when he was forty-five. He was the person who we always said reflected Pete’s green side, his softer side. He was a marine, Pete, who tended to be fairly stern and focused, but had this guy saying, “Hey, you need to do the right thing here.” Otto was there, Otto was a big proponent of mine, he said, “Just imagine how people are going to react when you hire a former executive of the Sierra Club.”

LAGE: Right, that seemed to be a big thing.

WHEELER: Yes.

LAGE: I have to stop this because we’re about to run out.

[Begin Minidisc 4]

LAGE: Okay, we’re back on with our second disc. You were talking about Otto Bos.

WHEELER: Otto Bos.

LAGE: What was his background?

WHEELER: You know, he had worked with Wilson. It was characteristic of Wilson that people with him had been with him for a long time, and were intensely loyal. I’ve never known another individual in my professional or personal life who commanded such loyalty from the people who had worked with him. It seemed to me—it’s another question of my doing due diligence—I didn’t know this person Wilson, and didn’t know, again, what to expect. In fact, I had some misgivings about how people might

respond to a Washingtonian coming out here to have this job. I knew there would be a little controversy associated with my having—

LAGE: True, because you really weren't a Californian.

WHEELER: No, my only prior claim to California was the Sierra Club, and that might have not been all that well received, maybe not even by the club. So I did some due diligence and I was encouraged to find not only Otto but others. Larry Goldzband, who worked for Pete in the Senate, talked to me. I called him, and I said, "Tell me about this guy and what it would be like to work for him." And so we had meetings here in Washington before I gave him my answer. I was truly undecided, mostly because of the personal implications of another move to California. In the end, you balance those things. Heather said, "Look, if this is something you really want to do..." I said, "It sounds like it could be almost the ideal job, in a setting we would enjoy, dealing with issues that are of critical importance, in a place where people pay attention to these things." I had worked on historic preservation, I had worked on farm land issues, I had worked on natural resources issues. I had just had that experience with Successful Communities, I could see that all converging.

LAGE: Did they talk to you about those things as you were being—what your agenda would be?

WHEELER: Oh, very much, what would it be? I said it would be constructive collaboration on these issues. I said I meant what I said in that op-ed. I understood Pete to believe in those approaches and to agree with them. In fact, he ran a very strongly environmental campaign. I had not known that because I was not paying a whole lot of attention to the campaign. I didn't know that it would have any bearing on me or my professional life. He received the endorsement of some environmental organizations. He was running then against [Dianne] Feinstein, who had herself a good record. There were

serious and, I thought, good discussions about these issues during the campaign. He reflected all that, and the people around him said, “Hey, this is for real, he understands this. He gets it, he wants to do something, but he wants to do it within the framework of a Republican administration, and that means you’re going to have to be cognizant of your role in the private sector, and deal with some people who might not be so enthusiastic.”

All that went very well. So it was agreed that I would come out on the day after Christmas, after all the preliminaries had occurred, and he would make this announcement as one of a series of announcements he was making of people to be appointed in the new administration. All along I had been saying, “Look, I learned one other very important thing at the Sierra Club, I’m not going to take this job unless I have someone there in a very senior position, in whom I have complete confidence, with whom I can have a great understanding, common methodology, willingness to work closely.” That is Michael Mantell, who was then the general counsel of the World Wildlife Fund and Conservation Foundation. A Californian, native of Los Angeles, who wanted to come back to California, and who agreed that to be number two to me would be—he was younger, much younger—a worthwhile and interesting experience. So I had said all along, “That’s the only condition I would lay out.” They would say, “Fine, not to worry, we’ll take care of that.”

So the morning of the announcement in Sacramento, I had flown out, I’m sitting with Bob White, and I said, “We still haven’t resolved this matter of who my deputy will be, and I need to underscore that this is important to me; I mean, it’s critically important.” He said, “You mean to say that if we wouldn’t agree—well, we’ll decide that afterwards, there are a lot of qualified people out there.” The tendency, I knew, would be to put someone there who has had a role in the campaign and who would be

rewarded, and maybe somebody who would keep an eye on me. They didn't know quite what to expect, maybe I was going to go off the deep end as a green appointee.

LAGE: Maybe they were scared of your former connection with the Sierra Club.

WHEELER: Well, exactly right. They knew it had political advantage. Otto Bos was saying, "This is terrific!" In fact, I don't think for a minute that I would have gotten the job had it not been for the fact that—

LAGE: It's kind of ironic.

WHEELER: It is terrific! That's why I say it turned out wonderfully in that regard. This was the credential. I think I had a very good sort of professional record, and I was as capable as the next guy on the environmental issues and resource management, but that was the distinguishing characteristic. A former executive [director of the Sierra Club]—that was what the newspapers picked up, of course. I said, "All right, this is all to the good, I need Mantell." He said, "You mean to tell me you will tell us, an hour before the press conference, that you will not take this job if Mantell is not your deputy?" I said, "Yes." And I said, "I'll have to tell you this, Heather would be more than happy if I came back said, 'We didn't make the announcement, we're staying in Washington.'" He said, "This is an ultimatum! The governor will not take kindly." I said, "It's not an ultimatum, I had talked about this all through our conversations, I am simply laying out for you the fact that I have to be trusted to do the job you want of me. Hold me accountable, but let me make the decision about who I need to work with, and to interact with, so that I can deliver on my promise to the governor. Hold me accountable, fire me if I don't do the right job, but don't cause me to work with someone that I can't work with, or who doesn't share my outlook." That was the lesson, a very important lesson I learned at the club. They agreed.

LAGE: Bob White agreed?

WHEELER: Yes, he said, “Well, I’ll have to go talk to the governor about this.”

LAGE: I wonder if they had someone in mind.

WHEELER: Ah, I don’t know. But it hurt me in the earliest going with the new administration. I think they felt I had been—they didn’t want that kind of a defiance, obviously, or I was going to say “disloyal,” not disloyal, but that I had not been so fully cooperative.

LAGE: Team player.

WHEELER: As they had hoped, exactly. So, “Maybe this guy isn’t who we thought he was.” As it turned out, Michael did an extraordinary job, enabled me to do what I think was a good job. They acknowledged later that Michael was a true asset to the administration. In fact, today, he is a principal advisor to [Governor Arnold] Schwarzenegger. And very well-regarded by the Wilson team and the people who are up there now.

LAGE: But he’s not—

WHEELER: Not in the government.

LAGE: He’s not secretary for resources.

WHEELER: No, nor would he want—he was offered the opportunity, I believe.

LAGE: Oh, was he?

WHEELER: Yes, but he started something called the Resources Law Group, which is a quite unique combination of a law firm, a consulting firm on natural resources and environmental issues, and a not-for-profit 50 (c)(3) called the Resources Legacy Foundation. His principal client is the Packard Foundation. He is responsible for the disbursal of monies for habitat and wild land acquisition—\$50 million thus far.

LAGE: Fascinating, that’s a very powerful position.

WHEELER: And at the same time, very influential in Sacramento. He was the chairman of the campaign for Proposition 40, which was the first of the two recent bonds that provided

several billion dollars for this land acquisition purpose, and has advised the Schwarzenegger administration on selection of personnel for the new administration.

LAGE: Well, very interesting. So you brought a good person into government.

WHEELER: Yes, so I got him there and was pleased from day one that I insisted on that.

LAGE: Now, did the Wilson administration, the people who interviewed you—did you ever talk to Wilson himself?

WHEELER: Oh, yes.

LAGE: Did they say, “This is our agenda”?

WHEELER: No, they didn’t have an agenda. And I wasn’t even sure that they wanted one. Not that they weren’t interested in the issues, but they had other priorities. Although he was interested in these issues, it wasn’t his first priority by any means. The state was then in the throes of an economic downturn, and they were very much concerned about that, I remember. I wasn’t quite sure what would be expected of me. I knew that the—the array of the natural [resources] agencies, all of them were important, that it would be important to have good people appointed to those positions in subordinate slots, and that we would have more than enough to do in reacting to problems that would arise naturally.

LAGE: This is the list.

WHEELER: Yes, it’s remarkable. As I said, when I looked at that list [refers to list of departments, agencies, boards and commissions under the Resources Agency] and saw the transition books, I said, “This is like a kid in a candy shop.” You just—is it water that you’re interested in, or forest, or wildlife, or agricultural land, or coastal issues, energy—it’s all there.

LAGE: I don’t think this [list] is complete. I think I’m missing a page. Because I didn’t see energy.

WHEELER: Department of Energy, or the Energy Commission, and the Coastal Commission, both are agencies.

LAGE: We've got a lot to cover.

WHEELER: Right, well, we don't have to cover it all. But let me talk about this question. I thought, "Well, I know that my issues aren't going to be paramount, and yet I don't want to be entirely reactive." So I started calling people and saying, "What is it that really we could do? What's within the realm of possible, what's the highest priority?" On the assumption, and it wasn't really too well formed, that if we put forward a program early in the administration, it could be the guiding sort of characteristic or agenda for my work at the Resources Agency. So we convened groups of people, just informally, to ask, and we developed in time for Earth Day 1991.

LAGE: So that would have been April.

WHEELER: Right, a program called Resourceful California, which I thought was extraordinarily clever. The governor never really liked it. [laughter] I thought if I got his approval, and it was a pretty broad agenda, then I wouldn't have to keep going back with new ideas, or wouldn't have to take direction from others, because I could say, "Hey, this is the agenda that the governor approved." I said, "I'd like to come in and lay out for you what I think we could accomplish during this administration." This would have been really early. Otto was still alive, and Bob White, Otto, the governor—Bob White had become his chief of staff—Mantell, and I sat down around the table. Larry Goldzband was there, he was then the cabinet secretary, responsible for linkage between the governor's office and the agencies, including ours. I said, "This is what I think we should do." Except for the fact that he didn't like the name, particularly—he couldn't quite get it, I thought it was quite clever but he didn't agree—he adopted the program, and we announced it. He came to the Resources Building on Earth Day with great

fanfare. We had arranged for him to come through the building, meet employees, some of whom had never seen—they weren't Wilson appointees, they were civil servants—never seen a governor, put a big banner out front, and had him make a speech that included the tenets of Resourceful California. That became kind of the template for everything that we did. I thought it would be a four-year template, because I had said to Heather, "We're going to stay just for the four years, I don't know if the governor will be reelected, but even so, we'll go back to Washington." It turned out to be an eight-year template, and it was modified, of course, as circumstances dictated.

LAGE: Now, you say you developed it through a lot of consultation—was this consultation with your departments, or with outside?

WHEELER: Both within and without. In the course of the development I called people in the state, notably Steve McCormick, who was then head of the state chapter of the Nature Conservancy, the California chapter, and who I had known from my work at the Conservation Foundation. We had hoped to get him to become part of the administration, actually, and he declined to do that because he was busy doing what he wanted to do. But he did give us some thoughts about habitat conservation and about priorities for the new team.

The area in which I had the least knowledge was water. I had had no previous exposure, and that, as it turned out, was one of the most significant issues.

LAGE: There was a drought at the time.

WHEELER: Very early on, the governor had us around the table and said, "Wheeler, I want you to do something about the drought." Well, I didn't have a clue about the drought. You will see in Resourceful California, there is not a tremendously large water component. We did talk about adequate supply of water and the rest, but I didn't know the

intricacies of the reliance on the Bay Delta and the State Water Project, and the federal Central Valley Project, and the Colorado River and all of the history of *Cadillac Desert* and all that. I came to learn that, sometimes painfully. I did ask Dave [David N.] Kennedy about the drought.

LAGE: And was already on staff—

WHEELER: He was a carry-over, he was not a new person. He was an engineer, he is an engineer.

LAGE: Head of Department of Water Resources.

WHEELER: Correct, and not environmental in his orientation, I would say. But he knew, and I understood, that if we could find a way to deal with the drought, it didn't matter whether he was an environmentalist, we would have solved an important issue to the credit of the governor. I don't think people really in retrospect appreciate how serious the drought was. We had decided on a sort of stepped-up campaign to deal with it, involving all aspects of government. But the governor's initial effort was a sort of jawboning attempt, telling people, "Save water, don't use it unnecessarily," take what he called a "navy shower," which was just to turn the water on when you are in need of lathering up, but not otherwise. We were all kind of rolling our eyes about this. I was sure that more draconian measures might be required.

We set out to establish a water bank. Kennedy believed that there was more water being devoted then to agriculture than was absolutely necessary. There was no formal mechanism for the transfer of that water to non-agricultural users. But that would be a really important development, if it could be made to happen. There are all kinds of legal, and there are physical, barriers to that occurring. The legal barrier is that water rights are zealously guarded by the individual holder. Water in California and in most places is owned by the public in trust, but the right to use that water, the water right, is privately owned. So it's a very valuable commodity, and farmers are loathe to let it go.

There was no mechanism for transferring rights, once they had been established, except through intervention of the Water Resources Control Board, which actually assigns rights. Kennedy said, “In theory that’s right, there is water there and we could move it. But first of all, we can’t move it structurally because we’ve got a very complicated interconnection of state and federal systems: piping, plumbing. And we have no legal mechanism.” I said, “Let’s see, just if we could get people just to agree, literally, on the back of an envelope, if there were a market price, that they wouldn’t sell the water, and if we could simply agree, without benefit of new legislation or new regulations, that these transfers would occur.” That happened. It wouldn’t have happened, I’m sure, but for the fact that the governor made such a point of this being a statewide emergency and that there was a matter of civic obligation to help solve the problem. That coupled with the fact that you told the farmer, “I’m going to give you more money for that water, the market will give you more money for that water than you could expect to make this year selling rice, or crops.”

LAGE: Now, when did that actually come into being?

WHEELER: We did it in 1991 and 1992.

LAGE: Very early on, and it was informal?

WHEELER: Informal, there was no legislation, no regulations.

LAGE: Because later, the CVP legislation used that mechanism.

WHEELER: Oh yes, oh sure, that’s right. This was the thing in water resources, until Cal Fed came along, of which I am the most proud, because Kennedy was skeptical, and understandably—he had been raised in this very articulated, carefully structured system, and couldn’t believe it, that you could do this without new regulation, new law, all this. Moreover, we didn’t know—there had never been a market in water rights, and we didn’t know that it would actually work, that people would be willing to

pay. But it turned out that southern Californians paid. We then had to find a way to get that water from north to south, through the existing mechanism. But that, too, proved to be less difficult than we had anticipated. That became the water bank, the state water bank.

LAGE: State water bank, so that's what we're talking about. Then Cal Fed was later.

WHEELER: Cal Fed came in 1994, for a different reason. Then we were blessed by torrential rains, the so-called Miracle March. We were—I'm saying, literally, I came home to Heather one night and said, "The governor expects us to solve this problem, and there's no human intervention that is going to solve this problem." And then divine providence saw to it that we had a terrific downpour.

LAGE: What year was that?

WHEELER: That would have been in 1992.

LAGE: You must have been blessed by something.

WHEELER: We were delighted with that outcome. [laughter] Because it was getting increasingly more severe. I said to the governor, "It's not going to be possible to solve this problem with navy showers." We were telling people to turn off the taps in southern California, and not to water their lawns, and not to wash their cars, all the things that we could think of.

LAGE: I want to talk a little bit about, before we get into more issues, which are the important thing, but appointing your department directors, was that something you were able to do?

WHEELER: It was a collaborative process. Most of those people serve at the pleasure of the governor, and the resources secretary is not directly responsible for their appointment. It's a bit of a problem, it's not like the Washington model in which they are statutorily

accountable to the secretary of the Interior, let's say. But that's the nominal architecture, as you can see. The other problem—

LAGE: But you're not really directly over these people.

WHEELER: I am over them, I am accountable for their performance, I am the sort of intermediary between them and the governor, but they hold gubernatorial appointments. Some of them, Kennedy among them, saw his first allegiance as to the governor, not to me. He was a wily, well-established civil servant.

LAGE: I think that's a tradition in the Department of Water Resources.

WHEELER: Exactly. Exactly. So I had more or less control, but we were making an honest—and I think everybody cooperated in a serious effort to function as a unit. Because these issues were all interrelated. They might not have understood that, but again, having come from the dysfunctional Sierra Club, I saw the importance of trying to get the agenda, Resourceful California, and then getting everybody to do their part in the furtherance of that agenda. It helped enormously that the governor had blessed it, so I could say, "This is what the governor wants. This is not what I want, this is what the governor wants." That served me not only with regard to these people in the departments, but it served me later on with respect even to the governor. That is, he had forgotten, of course, that he had approved this whole thing, but for us, every day we opened it up and looked at it. We were able to say, "Hey, what you're suggesting now is not consistent with Resourceful California." Or somebody would come in wanting to do something and say, "Doug, can't we do this?" And I would say, "Not if we're going to adhere to the tenets of Resourceful California." "What is that?" We reminded him of that periodically. But it kept me from then having to go back. It was so ambitious, so broad, that it kept me from having to go back to him periodically. Later on, it might have been harder to get those approvals, there weren't the dollars

available, there wasn't the same political momentum. At the beginning of the administration was the time to set those courses, I think. It served us well that we had done that, taken the effort early on, and gotten it out there, publicly, and with his endorsement.

On the appointments, obviously the governor's office had a lot to say about that, obviously there were a lot of people who had sought appointments who were active in the campaign, had really closer relationships with the governor than I did. I can honestly say that they did not appoint anyone to whom I objected. That is, they would say, "We'd like you to look at Richard Wilson to be the head of the Department of Forest and Fire Protection," and then I would interview him.

LAGE: You would interview him.

WHEELER: Yes. And if I thought for some reason he wouldn't be compatible or I didn't like what he stood for, I was confident that they would not require that I hire him. But those people, Richard, Dave Kennedy, all had their—I'm sure had their—appropriately, had their first allegiance to the governor. He actually appointed them.

LAGE: And then the departments themselves have a tremendous, I don't want to say bureaucratic in a bad way, but a tradition.

WHEELER: Well, that's right, and each of them has a sort of—I think the public doesn't understand that any new administration has only a very few positions to fill, of influence. They cannot possibly permeate with new policies or directions the entirety of one of these large agencies. I think there were 13,000 or 14,000 people working all together in the resources family, and very, very few of those, 1 percent or less, even 1 percent would have been a high number, are political employees of any new administration. The agencies all have sort of a momentum or an inertia of their own. They are really not all that responsive unless they can get genuinely excited and

believe that the administration is sympathetic. I tried to convey that. I tried very hard to reach down into those departments to let them know that we appreciated what they were doing, number one, and number two, that they had a role to play in the discharge or the fulfillment of the governor's plans or aspirations for the state.

LAGE: Some them, not being political appointees, might not have cared about the governor's plans.

WHEELER: No, absolutely. And I think there's some natural antipathy to that, "The governor's a politician, he'll say whatever it takes to get elected, he comes into office, he leaves, we'll be here, these are our jobs, this is our agency." So that's sort of a natural tension there. We tried to overcome that.

LAGE: Did you run your agencies—did you have kind of a cabinet at the department that you gathered at?

WHEELER: Yes, we met regularly.

LAGE: As a group.

WHEELER: Yes, and I asked for updates on issues. I wanted not to be—my job, in large measure, was to serve as liaison to the governor. So I had to go to meetings, cabinet meetings, on a regular basis and to account for what was happening in my area, and I needed to get that information from these people. To get their cooperation and make them part of the team, it was important, I thought also, to bring some value to the relationship. That is, otherwise they'd see me as an obstacle between them and the governor. If I could show value added, if I were their advocate with the governor, if I could make sure that their work was appreciated, understood, and supported, then they would be more cooperative.

It worked. Even in hard times—I'm thinking of parks, Don [Donald W.] Murphy we appointed as director of parks. First career person ever to be appointed to a very

significant job, had been working up through the ranks, born in Los Angeles, African American, well-regarded by the rank and file, and he was asked to do very tough things. That is, we had to raise park fees, we had to cut personnel, and reduce programs during the period of our most severe budget downturn. He did that and had the respect of his peers, I think, because he had come up through the ranks, was respected, and knew, and his peers knew, that we were giving him every benefit of the doubt along the way because we knew these were tough decisions, and that when times got better we would support him in the upswing.

LAGE: Did you appoint other career people? Fish and Game?

WHEELER: Fish and Game was not. That was an interesting case.

LAGE: That was Boyd Gibbons.

WHEELER: Boyd Gibbons. Boyd was a writer and author, editor, at the *National Geographic*. I had known him in Washington because he had written on environmental subjects, including a very good book about Wye Island, which is an island off the coast of Maryland in the Chesapeake Bay that had confronted a very serious threat in the form of a planned unit development. He saw the personal and the political and the economic aspects of that, wrote a good book. But his principal job was as an editor of the *Geographic*. He worked for an organization that was well-funded, that was deliberate, that was, how would I say this, not particularly concerned with deadlines. Everything, every project had a long time horizon. It wasn't a natural fit that he would come to government. He had worked early on in the Nixon administration, where I had first met him, as a deputy undersecretary for Russell Train, who was this really renown conservationist. I had kept in touch with him over the years. He wanted this job badly, because he was a Californian, he knew Wilson vaguely, and called me in Washington, before I came out, to take the job, would I recommend him to the governor, did I think

it was a good fit? I liked him and I said, “Yes, I think it probably is a good idea. I’m happy to advance the situation to the extent I can, but this is the governor’s call.” We had an interview, each of these people would be interviewed with the governor. As I said, I would talk to them. We had an interview with Boyd in which—Bob White was very skeptical of Boyd because he had not had previous government experience except for a short time in Interior, had never run an agency. And he had this kind of erudite, scholarly air about him, not a conventional hunter or a fisherman. He happened to be an avid hunter and fisherman, but you could see him not easily relating to his constituency at this new agency.

LAGE: Right.

WHEELER: Right. So we had the meeting with the governor, Bob, Boyd, and myself. This was after I had taken office but we hadn’t yet filled that job. The conversation didn’t spend one minute on Boyd’s qualifications or his aspirations for the Fish and Game. It turned on the fact that he and Wilson had both been advance men together for the failed Nixon gubernatorial campaign. Bob was rolling his eyes. When we got out of the meeting, he said, “This is not, I can’t believe this is happening.”

LAGE: So he made a personal connection to Wilson.

WHEELER: Right, and that was all Pete needed. Pete said, “Boyd, I heard you want to be in Fish and Game, delighted you’re going to join the team.” That was it! Not, “Are you qualified, what are your thoughts?”

LAGE: “What do you know about Fish and Game management?” [laughter]

WHEELER: So Boyd was deliriously happy. But Bob was then and always skeptical of it, and Boyd did not serve a second term as director of Fish and Game because it really was not a good fit.

LAGE: Because I would see this as an agency that had a lot of really professionals in it with a long tradition.

WHEELER: It does, and he was a professional, but he was a visionary.

LAGE: But not a professional Fish and Game person, wildlife manager.

WHEELER: No, that's right. In fact, it's interesting that the Schwarzenegger appointee, Ryan Broderick, is someone who had been a career person. He went out to work for the Ducks Unlimited organization during the Davis administration, he'd come back. He was a deputy to Boyd during the Wilson administration.

LAGE: And now he's—

WHEELER: And now he's director. Later, when Boyd left, the governor appointed Jackie Schafer to be director of Fish and Game, the first woman ever. She too had had a very strong environmental background generally, in Washington, at the EPA, she worked for a senator from New York, but she hadn't had any direct experience either. I think she was a little more successful, but she had some of the same problems as Boyd.

LAGE: And possibly being a woman in that role would be difficult.

WHEELER: It would be even more difficult.

LAGE: Any other interesting appointments that you might talk about?

WHEELER: We had, let me see, Parks, Fire, Fish and Game, Water—

LAGE: Conservation.

WHEELER: Conservation was kind of an unusual agency in that it was an amalgam of a number of different functions, not particularly coherent. Its biggest program is the recycling program. That's an important program, but it's a bit of an anomaly, I think, within the agency.

LAGE: Did you have any thoughts of restructuring some of these agencies?

WHEELER: We went through—I should have said early on that not only do they have an inertia of their own as a result of the makeup of these agencies, or a momentum of their own, but they are in California complicated by the existence of independent commissions, which was a carry-over from the Jerry Brown administration, sort of a populist way in which to affect policy, a popular way to affect policy. The commissions have varying degrees of authority. The Fish and Game Commission—and they too are appointed by the governor, but subject to some specified qualifications. At Fish and Game they set limits for game and seasons; they accepted and rejected nominations for endangered species—a fairly significant role. The California Fish and Game Commission was therefore a much sought-after appointment. There was a Parks and Rec Commission that was much more advisory really, it didn't have a whole lot to say about programs. The forestry, the Board of Forestry was quite influential—they too set the regulations for the department to implement and resolved disputes with respect to timber harvest plans and the like, quite significant, politically charged. The Department of Water Resources did not have a commission that was truly influential. The one that seemed the most—there were two that seemed particularly anomalous to us, and we did try in two different ways to affect the outcome. We did have the Energy Commission, completely autonomous, that is, there was no department of energy, no director of energy accountable to either me or the governor.

LAGE: So it was different from those others which served in advisory—

WHEELER: That's right. It was a part of the agency in name only. It was administratively a part of the agency, in that its budget had to come—that's probably why it didn't show up on your recitation there—but it had to come to me for its budget and I had to forward the budget. The governor held me accountable to some extent for integrating its programs with the rest of our agency functions. The director there was Chuck [Charles R.]

Imbrecht, for most of the time. He was extraordinarily capable. He had been a Deukmejian appointee, very knowledgeable. He was known nationally and internationally as an authority on energy issues. I enjoyed interacting with him because I didn't know those particularly well. But we didn't have what I would describe as a reporting relationship. That was an area—we made an attempt through the Little Hoover Commission to seek reform of the energy—to in effect establish a department of energy more analogous to water resources, forestry, parks, so that we could get some more control or leverage on its activities and deliberations, particularly in the area of siting new facilities, they had that authority. That was an area which obviously interacted with, had impact on habitat, on water, on other things. We went to Little Hoover—I don't know if you know how they function, but they examine matters of government reorganization, organization, they make a recommendation, responding to an initiative of the governor. Then unless the recommendation is rejected by the legislature, it becomes law. So it's a way to get out of the legislature things that they might not otherwise be willing to do. We presented this problem, and they did recommend the establishment of a department of energy on the model that we had recommended, but the legislature would not accept it. Because it had more control over the autonomous agency than it would an agency that was part of, or a department, that was part of my agency.

I want to just divert for a minute to talk about Cal/EPA, which is another of these anomalies, and it's one for which Wilson was responsible.

LAGE: Now, is that a department?

WHEELER: It's an agency. It's a cabinet agency. But it has no statutory authority. It was established by executive order.

LAGE: No statutory authority.

WHEELER: Right, and yet it is one of the most significant functions of state government. When we first came to Sacramento, the governor asked me how I felt about the fact that we had no environmental protection agency. We had a Resources Agency, analogous to Interior, but nothing like U.S. EPA. You had toxic substance control, you had the water resources board, you had a number of these functions in other places.

LAGE: Air resources.

WHEELER: Air board, which would have been appropriately grouped. He said, "Should we try to do more? Should we combine them?" And would I be interested in presiding over an agency that had all those functions, both the resources and the—I said, "I'm not interested in the regulatory side of it. I don't have the expertise, I like the resources side." He said, "I think then that we might consider establishing a separate EPA and get someone to run that separately." I said, "That's a good idea."

LAGE: And make it at cabinet level.

WHEELER: And make it a cabinet level agency. He was lucky to be able to recruit Jim [James] Strock, who was then the assistant administrator for the U.S. EPA for enforcement, so a very senior person with a great background and good reputation.

LAGE: You didn't see that as a threat to your domain?

WHEELER: No. It developed that there was—that's a good question. Some people saw that. Jim and I were not particularly close colleagues, but I never felt that it was a threat. I knew that I wasn't interested, and I knew that it was not likely to encroach. There were a few places where there was overlap, water was one. It turns out that he had the water regulatory authority through the water board, and I had the water delivery responsibility through the DWR, so you might imagine that there was some tension there, but not really, not otherwise. In any event, for whatever reason, the governor decided not to submit legislation, I suspect because he felt he might not be able to get

it from a Democratic legislature, they didn't want to give him accolades and credit for having established the first ever Cal/EPA. So he established by executive order, it was determined he had sufficient authority, but to this day, it does not enjoy true statutory authority or protection. To this day, they are all of those boards even more independent than the Energy Commission, that is the water board, the air board—

LAGE: They all have statutory authority.

WHEELER: Absolutely, absolutely. So the authority that the secretary wields there is only by power and persuasion, basically. Less than the line of the authority of the secretary of resources. They have made some important steps in establishing a virtual agency by moving everybody together in a single building in Sacramento. The new Cal/EPA building is a monument to this concept. But they still exist independently, those are all independent commissions.

LAGE: That's interesting, governmentally. Let me ask you again about the Energy Commission. Was this a location of deregulation?

WHEELER: At the end, it was. They were the sponsors of the idea.

LAGE: Because I noticed in the sum-up that you gave me, it's just sort of mentioned, it's barely shown any attention and then it's become such a big issue.

WHEELER: A big issue—in fact, I did not see it then as a big issue because it came out of the Energy Commission, and came, more than that, out of the governor's office, working with the utilities and the CPUC. That's probably a good illustration of the fact that its separation from the agency meant that it was not fully integrated and I as secretary was not—well, I knew what was happening, but not much more.

LAGE: The implications don't seem to have been recognized, the potential problems it might create.

WHEELER: No. No, they were not.

LAGE: And who did you say was—Chuck Imbrecht.

WHEELER: Chuck Imbrecht.

LAGE: That will be an interesting thing to look at more carefully.

WHEELER: Yes, unfortunately, Chuck has died. He, as I said, one of the youngest people ever to be elected to the legislature, too smart, in a way, for his own good. Completely obsessed with his job, self-confident, knowledgeable, developed a drinking problem, and then sort of saw a deterioration of his health such that before the end of the second term he had to leave the Energy Commission.

LAGE: Too bad, and who took over, do you remember?

WHEELER: I'm trying to think, it was probably one of the career people, on an interim basis. I don't think there was a new—I can't answer that question.

LAGE: I'm thinking about your time.

WHEELER: Yes, we have half an hour, probably.

LAGE: You don't have to leave here until 12:30.

WHEELER: Yes, right. Is that okay?

LAGE: I'm fine, but how are you, in terms of—

WHEELER: That's good.

LAGE: Sitting too long.

WHEELER: I'm fine.

LAGE: Okay. Tell me something about how the governor's cabinet functioned. I'm fresh from looking at my interview with Ike Livermore, which took place shortly after he finished as resources secretary. And there's so much in there about how he functioned within the cabinet, and contention on the cabinet, working on issues.

WHEELER: Yes, I've seen some of those stories about those individual issues. Ike has told me some of those stories.

LAGE: Yes, so how did your—

WHEELER: It was less the forum for debate than that model might suggest. We met more often than not without the governor. That is, with the chief of staff and the cabinet secretary. The purpose was really to keep one another apprised of activities within our agencies and to understand from his senior staff what the governor was doing. But not to thrash out or to develop agendas. If there were need for a new agenda or a new initiative, there would be established a task force for that purpose, consisting of the secretaries from individual agencies. We did that very early on under auspices of the Office of Planning and Research on growth management. Those of us with an interest and a responsibility worked together, but separate from the cabinet. Ultimately, of course, those issues would come back, either to be presented to the cabinet or to the governor for his approval. But if you had an issue with the governor, typically it was a one-on-one meeting with the governor. I'm thinking of the work of the Water Policy Council. We had discovered early on that there was no coordinated water policy, at the time of the drought, in fact, which gave rise to the council. I was the chair and it included Kennedy, and included the water board, and others with relevant responsibility. We had to devise plans for the water bank, or for other strategies ultimately for California. All of that we did as a council, as a task force. We'd come to the cabinet, report to the cabinet what was happening. But unless another cabinet member was engaged, there wasn't interaction. I never offered, therefore, views, except when there were conflicts, I never offered views on Caltrans or prisons or issues unrelated to my responsibilities. The governor attended meetings periodically, but not regularly. As I say, when I had an issue with the governor, it was typically one-on-one.

LAGE: Was this an occasion where the governor's political interest might be communicated? I'm assuming they must have been.

WHEELER: Oh, definitely.

LAGE: So what—how did that work? And what were they?

WHEELER: Well, we were told what issues concerned him at the moment, what was politically sensitive, what his plans were. That became important both with the reelection and with his abortive race for president, after he was reelected. That is, obviously, they were anxious that we be as supportive as possible. During the reelection campaign, the first time—

LAGE: So that was 1994.

WHEELER: In 1994, we were all of us asked to get out and around the state, and it was an effort coordinated by the governor's office, as I think usually happens, to sort of engage with our constituencies to make clear what his record had been, and to engender support for the governor. It's something that really never stopped. I felt always that that was part of what I was doing, was I was a representative of the governor, I felt that we were performing well on his behalf, and I wanted to bring credit to him for our activities, as did the other secretaries. That was almost continuous. But there was obviously heightened interest at the time of the elections.

LAGE: What about when he did want to run for president, did that shift anything?

WHEELER: Well, it shifted in the sense that we were getting less oversight and attention from him, interestingly. Because his attention was elsewhere. I remember all of us being very excited at the prospect, obviously. I have to say, I had come to admire him and respect him and to like him enormously. As I said, when I first got there, I didn't know him particularly well, nor he me, and we didn't have what I would call a personal relationship. But coming to work with him, seeing him, responding to him, taking direction from him, I did really come to think he was very well suited. And he had spent his life in public service, he was truly a devoted public servant, mayor,

legislator, senator, and governor. I thought he would be a very good president. And we were all of us very excited. Not just because of that, but because we had proximity to a presidential candidate. But it meant day to day that we saw less of him, because he was out, then, running a national campaign. It didn't last very long. Remember, he had a problem with his voice.

LAGE: Yes, that's right.

WHEELER: And didn't just ever gain sufficient momentum. I think every California governor, quite understandably, finds themselves tempted by that opportunity, given the work that they've done here. They think, "Well, hey, I can run California, it's probably not such a big step to run the United States." But in Pete's case, he had also been a United States Senator, so he knew Washington. I have to say, and this figures strongly in what happened with Cal Fed, with NCCP. His knowledge of what happened in Washington, and of interaction between the federal and the state were very, very important to the success of his administration. He put in place a very strong Washington office. It was not as strong under Davis, is not yet as strong under Schwarzenegger, remains to be seen. But he put in place, in Washington, someone whose duties there corresponded exactly to my responsibilities, and then put a staff chief in Washington who coordinated activities. It was as if there were a miniature government in Washington.

LAGE: So each agency had a small—

WHEELER: Right. So I had people there who were watching my issues on the Hill and with the administration.

LAGE: And were you over them, or were they responsible to the governor?

WHEELER: They worked for the governor.

LAGE: That's an interesting kind of authority problem.

WHEELER: It is, and it created a little bit of divided loyalties, I suppose. And when you call that office, it wasn't the State of California office, this was Governor Wilson's office. But it made my life a lot easier. When I went back to Washington, there were people there that I knew and trusted, who were totally familiar with the Washington scene at the moment, could introduce me to the right people, could bring me up to date on the progress of issues. It was a direct reflection of his experience in Washington, and his belief that there was a lot to be accomplished in Washington, as a governor who understood the legislative process.

LAGE: Did you ever get a sense that things were done, or policy shaped, with an eye to political contributions and political support?

WHEELER: Not in the sense that Davis came to be known as a pay-to-play governor. Every constituency has influence commensurate with its support for the governor. The place where I encountered that—really the only—well, two places. My agency is by definition both a conservation agency and a resource management agency, so there was always a little tension between those functions. Kennedy could care less about Delta smelt and endangered species. He had to deliver the water. Fish and Game was desperate to protect the Delta smelt, and they clashed, but I enjoyed that. I mean, that was part of my job, was to reconcile those differences. On the outside, it was the water community highly skeptical of my interest in the conservation component of that issue, and the ag community, very much concerned about my interest in conservation, and to a lesser degree, the development community. These were all constituencies that had contributed to the governor's campaign, supported him over his opponent, and expected that he would be sympathetic to their interests.

LAGE: Didn't some of your—I'm trying to dredge up what I've read now—some of your suggested solutions for water offended the ag community?

WHEELER: Oh yes, very much so. They told the governor that what I was saying was not—

LAGE: The water bank idea, was it? Or Cal Fed?

WHEELER: Not the water bank idea, and Cal Fed later. Mostly concern for water to support endangered species and refuges, habitat.

LAGE: Saving the water for fish and wildlife.

WHEELER: That's right. There's a notion, a concept called in-stream flows, in which there is water for water's sake, which is an anathema to those who believe that water should be allocated for so-called consumptive use. Albeit agricultural, M and I, which is municipal and industrial. But not for environmental purposes, necessarily, and that was always a tension. I had come to understand that ag was responsible for consuming 80 percent of California's water supply, that some of that might not be efficiently used, and at the same time, we were shorting environments which were water-dependent, and we had to redress that balance. Pete agreed with that. At the same time, he understood that the ag community was going to be offended or threatened by it. More than get direction from him saying, "Hey, you're antagonizing these people, stop it," I'd say he'd say, "Get out there and win them over to your point of view, explain what you're trying to do, rationalize it."

I was never once told to do something for its political purposes. I lost a few arguments within the cabinet over conflicting values, but I can't say that there was anything done overtly. In fact, in the example that I would spend more time on than anything, this NCCP, it was precisely because he had support from the homeowner, home-developer community, particularly the Irvine Company, that it was possible to do some things that he might not have otherwise supported. This huge habitat, regional ecosystem plan was part of Resourceful California. He approved it but without understanding its implications. Unless someone as influential as Donald Bren had said to him—and I

know this happened—“Hey, there’s benefit in this for me,” not for me, Donald Bren, but for the development community, “we need to resolve the impasse between development and endangered species protection, and this is a way to do it that’s acceptable to us.” Pete wouldn’t have approved that program. In that case, a constituency that might have been antipathetic to the environment was helpful in persuading the governor that, “This is okay.”

LAGE: Let’s save that, in depth, for next time. Because I think we really want to get into it.

WHEELER: Yes, because I do want to talk about it. Let me tell you about an example, though, of a conflict which occurred within the government, where we did have a cabinet—

LAGE: That’s what I was going to ask you. [laughter]

WHEELER: Shoot-out, if you will. It had to do with interstate I-710 in Pasadena, which was a section of freeway that had been uncompleted for a long time. Depending on who you heard from, it was the largest uncompleted segment and therefore the biggest traffic bottleneck in California, or it was a testament to theories gone wrong. There was nonetheless this gap. The Caltrans and its secretary for Business, Transportation, and Housing, Carl Kovitz, wanted desperately to finish this. I had a very strong historic preservation constituency, which said this would be devastating to the community through which the traffic or the highway would be built. And it would have been enormously expensive because it was so densely developed. Caltrans—

LAGE: Was this a wealthy community that it was going through?

WHEELER: No, no, and that’s interesting. It was a middle-class community, and the houses that would be affected, 1,500, I mean, a really substantial number, had already begun to be acquired and abandoned, so it was kind of becoming deteriorated.

[tape interruption]

WHEELER: The Pasadena preservation community, however, were influential, were wealthy. Probably some of them supporters of the governor's. They seized upon this as an example of community preservation that ought to be enhanced. We did everything we could. I took Carl down there to show him the effect that this would have. We looked at alternative means of moving traffic through the community without—and then finally we did just come and make our cases.

LAGE: In the cabinet.

WHEELER: To the governor, with both of us being sort of back-stopped by our constituencies who had written letters to the legislature and the governor, bought ads in the newspapers down there. The governor decided to go ahead with the project. To go ahead, so I lost the battle. To this day, however, it has not been built. I said to Larry Goldzband, the cabinet secretary, "You know this is not going to be built. The costs are enormous for the benefit to be achieved." They said, "Yes, but Doug, consider it a pyrrhic victory then for the other side, because the lobby for highways, for traffic, for highway construction in southern California is so strong that they'll want the governor to come down on their side." I think he genuinely was conflicted by it, and he may have known that to say yes didn't mean the highway would be built.

LAGE: Did you take him there to see it?

WHEELER: No, we didn't take him there. So it would have—but it got the issue off the table, defused the question. The argument that I did win, and the one that I point to in that regard is over the authority of the TRPA [Tahoe Regional Planning Agency] to restrict development within its sphere of influence up there, on a case that was brought. It was an infamous case, because the woman, and I can't remember the name, unfortunately, but an owner of a lot had bought the lot with the expectation that she and her husband would build their retirement home. Subsequent to their acquisition of the property,

TRPA rated this as a site unacceptable for development, as it has authority to do, because to construct on that site would have contributed to erosion into the lake. With help from the Pacific Legal Foundation the couple, a very sympathetic plaintiff, I would have to say, filed suit challenging the TRPA's authority to regulate.

LAGE: Just personally sympathetic?

WHEELER: Yes, personally sympathetic. Here's the circumstance, they bought assuming they were going to be able to develop, they were not people of great means, this meant that their retirement—the woman was in a wheelchair, ultimately, the retirement plan had been foiled by the bureaucrats at Lake Tahoe, et cetera. The Pacific Legal Foundation took a legal challenge on their behalf to the authority of the TRPA to regulate land use for this purpose on the takings issue, the Fifth Amendment issue, which was you cannot take property without compensation. That is, what is the extent of your regulatory authority, beyond which you have to pay for the effects? They had regulated without paying. The case went ultimately, or would have gone ultimately to the Supreme Court. What position we should take? The TRPA is a completely independent agency, although there is representation of the state and Nevada on it by appointment of the governor, but it has a congressional mandate. It's not a state agency. But we were being asked to either support the position of the TRPA, that is, to sustain its regulatory authority, or to side with the plaintiffs in an amicus brief to the Supreme Court. This was going to be a very significant Fifth Amendment issue. I felt very strongly that Wilson had to be on the side of supporting TRPA and its regulatory authority. There were people, including his legal counsel, within the governor's office, who felt otherwise, that on legal grounds and policy grounds both that the Pacific Legal Foundation perspective ought to prevail.

I don't know, to this day, whether it was my persuasive argument [laughter] about the importance of TRPA and the integrity of the process which protects Lake Tahoe or the fact that Rick [William F.] Cronk was a friend of the governor's who ran the Dreyer's ice cream company here in Oakland. Cronk had been appointed by the governor to TRPA as his representative—California got some appointees, and—called the governor, I know, and said, "Governor, your political reputation in Lake Tahoe, or as a proponent of Lake Tahoe would be damaged if you were not to support this effort." I talked to Cronk about this, I sort of suggested to him, "Hey, the governor ought to hear from you about this, because I think it's an important issue and he'll be persuaded by you, maybe more than he'll be persuaded by me." The governor did decide to do that. We then called upon the attorney general to file the brief on behalf of the state, and he refused to do it.

LAGE: There's a case—the attorney general is independent.

WHEELER: Independently elected, but he's a Republican, it was Dan Lungren, but he believed in the other point of view. I would say on the natural, more conservative than Pete Wilson, and would not represent the governor in the matter. When we filed the draft of the brief for Wilson, it was on behalf of Wilson, not on behalf of the State of California. Because of Lungren's refusal to participate.

LAGE: That's an interesting kind of governmental dynamic there.

WHEELER: It is, and then the authority was upheld, ultimately, by the Supreme Court. We were on the right side of that issue, I was happy to say.

LAGE: Did you lose a few in the water area as well? You were talking about water and ag.

WHEELER: I would say day in and day out it was a struggle because of this predisposition to see water as a commodity, and not to be concerned with the environmental implications. I think slowly but surely it came to be seen as a problem to be resolved, however. The

state's water supply was truly over-appropriated. There were more claims on the water than there was water. We saw that first in the drought, then the governor began to see it with respect to endangered species listings, the effects of those. It's what led us to Cal Fed. Just as the impasse on terrestrial species led us to the NCCP. The status quo just wasn't working. You had people on both sides with legitimate claims, but there was no mechanism by which to resolve the conflict. My view was that neither side would relent until they saw that it was better to work together than not, that is, they could gain more from collaboration than from confrontation. I think it proved to be the case in both instances that cooperation has been worthwhile.

LAGE: That seems to be one of your defining ways of working.

WHEELER: Absolutely. That's why, getting back to the Sierra Club, I was always troubled by their failure—they wouldn't participate in these kinds of collaborative exercises and I thought that was a mistake.

LAGE: Well, I think—

WHEELER: I need to tell you, let's see, a couple of things that were instructive in the early going just to give you a flavor. This was the education of Doug Wheeler. [laughter] I wasn't a Californian, I hadn't, certainly, I thought I knew something about the state and about its issues, but not about the breadth and the intensity, and the sheer magnitude of the assignment. I came every day to appreciate the job more and more. I would have been—I was pleased to have and excited to have it at the outset, I would have been overwhelmed to have it, had I thought about it, might not have taken it. Right after we took office, there was the Canterra oil spill. There was a train wreck up in the Sierra Nevada, actually north, that threatened the reservoir, Shasta Dam Reservoir, on what is called the Canterra Loop. There was a train carrying, as it turned out, some toxic material, which spilled. The train and the track, it later was determined, had been

improperly constructed. We had word earlier that the train had fallen off the tracks, that the material had leached into the Feather River, which was going to feed the Shasta Reservoir. Again, we were called to do something about it because it would have been catastrophic had this plume of contaminants reached the reservoir, which fed a big chunk of the state's—

[interruption]

WHEELER: So we didn't know quite how to respond, but we knew we had to seem responsive. The governor's staff organized a helicopter from the guard and we all, Strock and I and others, DWR [Department of Water Resources], we all went up there. There wasn't anything we could do about it, except to warn people about the imminent threat to the reservoir, attempt to contain the spill as it worked its way downstream. Ultimately, it did not reach the reservoir, but it was instructive to us, both sort of in crisis mode, a response, that is that we had to be able not only to be responsive, but to demonstrate that we were responsive and concerned, and then to see that there was going to be an important emphasis on prevention. We learned, for instance, that these boxcars were not labeled, the tank cars, you didn't know what was in them, we couldn't make a quick analysis as to the extent of the threat. We didn't know how badly engineered the track was, that the trains had to be operated there at a smaller or lesser rate of speed. All of those things come to you after the fact, too late to prevent that, but caused us to look at railroads across the state, caused us to require labeling of contents, caused us to look at the response mechanisms that might be in place along the way.

LAGE: And this is inter-agency also.

WHEELER: Yes, exactly. They just said, "Get up there." They told us, "Get up there." They put us on the helicopter, we didn't know what we were going to do when we got there. Of

course, everybody locally was wringing their hands, it was a serious matter. We hadn't functioned as a team early on long enough to work together. We didn't really know how to interact with one another, let alone how to serve the governor or the people of California in this case. That was instructive, it gave us this sort of orientation towards prevention. So too, the Oakland fire. That was another very early development.

LAGE: That came right at the beginning.

WHEELER: Right. In which, we knew it was catastrophic, we knew we had to be responsive, there really wasn't much we could do. Frankly, there we did not learn the lesson. My view was after that fire had ruined so many properties and so many lives had been lost, we would have rebuilt in a different way, and we would have caused people to understand that the Department of Forestry and Fire Protection would not be responsible for the protection of people who failed to heed their advice. This was a recurring problem. The government encourages inappropriate behavior by private landowners in the coastal zone, in fire-prone areas, because it will continue to acknowledge, look the other way, support even the inappropriate reconstruction. We never did quite get that lesson across. Because as you know, the Oakland hills were rebuilt exactly as they were before.

LAGE: And there you have the local-state interaction.

WHEELER: That's right. We're beginning to see some progress with respect to the coastal zone and flood plains where people are being told that if they get flood insurance and they lose their houses and the insurance pays, they won't be paid to rebuild, but that's a fairly recent phenomenon.

LAGE: Those are all disaster-oriented.

WHEELER: Disaster-oriented. But this was an era of disaster. It's hard to imagine, none of us could have expected an earthquake, fire, drought. The governor took to saying, "The only thing we haven't had is a plague of locusts." Which was true. [laughter]

LAGE: Okay. I think our time is up.

WHEELER: A good starting—

LAGE: We have a great start. I'm going to shut this off.

[end of session]

[Session 3, November 8, 2004]

[Begin Minidisc 5]

LAGE: Here we are, it's November 8, 2004, and this is the third time we've gotten together, I believe.

WHEELER: Twice in Berkeley, and now once in Washington.

LAGE: Once in Sacramento.

WHEELER: That's right.

LAGE: Now this is Washington, and we're hoping to finish up today with our discussion of your being secretary for resources. We covered a lot already, and we've gotten a little bit into your state service, but not very far. I have another question. You talked about Resourceful California, which was your program. It seemed to come so quickly into your tenure. Can you tell me a little bit more how you developed it, who was involved, and what kind of conversations went on?

WHEELER: Yes. It may have seemed to have come quickly but it had been a long time in the making, given that I had been thinking about how to tackle problems cohesively and comprehensively, so called together formally and more informally a number of people I knew to be knowledgeable about resources interest in California almost immediately upon my arrival in Sacramento, including Steve McCormick, who was then the state director of the Nature Conservancy; Michael Mantell, who was my deputy.

LAGE: Was he—he wasn't [a] Californian?

WHEELER: He is a Californian, yes, but had been working with me here at the World Wildlife Fund in Washington.

LAGE: Right, I knew that.

WHEELER: And they asked him to come out with me to become deputy secretary. Because he had the understanding of California's issues by reason of his being a Californian. And others in the environmental community and elsewhere who we thought would be knowledgeable about the state's most pressing resources needs. The whole concept of a program was precipitated by the governor's interest in sort of laying out a blueprint early in his administration, and by the fact that we had secured from him the agreement to make a substantial announcement at the time of Earth Day in 1991. So we had between January and April of 1991 to put the program together, to cost it out, to secure his approval, and to run some of the usual checks with others in the legislature and within the constituency groups.

LAGE: Did you draw on your department heads?

WHEELER: Oh yes, very definitely.

LAGE: They were all appointed.

WHEELER: They had prepared, all of them, transition briefing books, from the Department of Water Resources, and the Department of Fish and Game, and Forestry and others, Parks. We had asked to identify the most pressing current issues as kind of the top note of these very voluminous documents. So we had had those even before arriving in Sacramento, as I recall, to review, and to sort of make a part of this process.

LAGE: Were there other outside people, any other environmentalists or industry people?

WHEELER: I'm trying to think who they were specifically. We did try to touch base with many of them. I know Jerry [Gerald] Meral was consulted, who was then at the Planning and Conservation League. I know that we had contact with the Sierra Club owing to my earlier experience there, and I'm sure we talked to the Trust for Public Land because I knew those people fairly well. We did convene at least one sort of semi-formal

meeting to which a lot of those people were invited for the purpose of eliciting their thoughts, wanting to be as inclusive as possible. The governor had run for election on a fairly strong environmental plank. John Amodio, who later came to serve in the Department of Conservation and at the Office of Planning and Research, was sort of the governor's environmental point person during the campaign.

LAGE: Oh, I see.

WHEELER: So he brought with him sort of a list of the things that the governor had committed to do that we had to obviously integrate into our program.

LAGE: What was his background? His name has come up in interviews about redwood parks back in the seventies.

WHEELER: John's background, he was an environmental activist and had worked for a couple of the organizations, as you point out, which were concerned with redwood park protection going back into the seventies. I was then at the Department of the Interior and I didn't know John then, but came to know him during the Wilson campaign. He reached out to people during the campaign to say, "What is it that you'd like the governor, or the prospective governor, to address if he were—?"

LAGE: So he had good environmental credentials.

WHEELER: Very, very strong environmental credentials. And we were more than happy, everybody, to provide thoughts and recommendations. So he, too, was part of our process then when it came to build a program.

LAGE: Okay, so it wasn't a backroom deal?

WHEELER: No.

LAGE: It was very comprehensive.

WHEELER: It was intended to be. As it turned out, I think, it was a very good thing for me to have, because over eight years other events and interests intervened and you tend to lose

sight of your original vision sometimes. To have that as a blueprint and to be able to recall it was very, very helpful, particularly when people in the administration would say, "Well, why are you doing this?" or would challenge it. We would always be able to say, "This is what the governor approved. We're doing this because the governor had agreed to do this." That was more than one time helpful in sort of debating points with other cabinet secretaries whose interests might have been different. I remember particularly, and this was not an issue that we had addressed in the plan, but there was and remains a controversy about the completion of I-710 in Pasadena, a lot of back and forth about where the governor might actually come down in a discussion between, in that case, historic preservation and the construction of this missing link in that highway. So you always had the—

LAGE: So the commitment to historic preservation was in this—

WHEELER: Was important to say the governor was interested in that as well as natural resource protection. That was something that people lose sight of. I have always, because of my own background I think, had always seen the connection between the two, and had always made that a sort of co-equal part of our program, which was, at the Parks Department, Parks and Rec, their responsibility in a fairly narrow program, not as broad as it might be.

LAGE: Was there anything controversial in shaping that Resourceful California? Anything that was really argued?

WHEELER: Well, I think the most controversial element was probably the one that was fought over during the campaign, and that was the Headwaters Forest. The governor made very early on, made a commitment for the protection of the Headwaters Forest, and there were some in the forestry community who felt that that was a bit too green or environmental. Amodio, I think, was largely responsible for its inclusion in the final—

first in the campaign and then in our final program. The other element, and it came to be quite controversial, was this whole notion of ecosystem protection, and protection of biodiversity, which we wrote into that first plan as kind of the central theme, the theory that you could not resolve California's resource issues without understanding the connections between them and that you had to address them more or less comprehensively.

LAGE: And did that grow—I'm trying to think if that was sort of a general trend in thinking, or your own—

WHEELER: I think it was a trend in thinking in the scientific community, and my own familiarity with it is owed to E.O. Wilson at Harvard who was the principal advocate and probably the country's most prominent conservation biologist. He wrote a book in the early nineties at about the time we were doing this, called *Diversity of Life*, and talked about diversity as a goal in and of itself and the need to think of ecosystems. But those were relatively new ideas. Mantell and I had picked those up. Wilson was on the board of the World Wildlife Fund.

LAGE: Oh, he was.

WHEELER: And we were both employees there, so we had heard him talk about these issues, even before he wrote *Diversity of Life*.

LAGE: This is E.O. Wilson.

WHEELER: Yes, I'm sorry.

LAGE: You said Wilson, and I was thinking Pete—

WHEELER: Yes, I'm sorry. No, no, E.O. Wilson. Of course, Wilson came to his job in Sacramento with a stronger environmental ethic than might have been expected of a Republican governor. He had been a very proactive, and we've talked about this before, mayor of San Diego. I came to know him, in fact, while he was a senator here, when I had

reached to him in hopes of building some bipartisan cooperation with the Sierra Club while I was there. In fact, it was that record and my knowledge of his interest that caused me to think that this would be an exciting opportunity.

LAGE: But still, the ideas of biodiversity aren't necessarily something a senator—

WHEELER: No, no, those were E.O. Wilson's ideas. [laughs] And in fact, there were people in the governor's immediate entourage who were sort of dismissive of any such radical notion. We ran into fairly serious opposition early on as we began to implement part of Resourceful California, particularly in the Sierra Nevada context, from people who were just sort of dubious about the whole idea.

LAGE: Shall we go—I was going to start with water.

WHEELER: All right, yes.

LAGE: It isn't quite the theme that we just developed.

WHEELER: Right, but it's nonetheless a significant, very significant thing.

LAGE: And then we can get more into this biodiversity. We talked about the drought, and your response to the drought and your being happy when the rains came. [laughs]

WHEELER: Having resolved the problem in a way that we could not.

LAGE: Right. But CVPIA [Central Valley Project Improvement Act], that was signed in 1992, I think, by President Bush.

WHEELER: Right, and there was real concern—let me think back about the drought for a minute—because I have to acknowledge the very important role that Marc Reisner played. He had supported the governor's election, and had been an advisor on water issues to the campaign. He and Amodio were friends. I had occasion to meet him, I had read the book, *Cadillac Desert*, of course, and understood its relevance to our problems, but have never met him, and found him to be very knowledgeable, very persuasive, and quite practical in his approach to these issues. I can't say that he was the first person to

suggest, but he was certainly among the most ardent advocates of water banking and a market for water rights, which we instituted, I think I mentioned, very early on as a way of dealing with the drought. Moving water from northern California to southern California, essentially, for that purpose.

LAGE: That was the solution, really, that CVPIA put in place.

WHEELER: Exactly. But CVPIA was seen by some in the agricultural community as a threat to the continued supply of their water, and it was the senator from New Jersey, Bill Bradley, who was the leading proponent of the CVPIA, along with George Miller. It became highly charged and political during the 1992 election campaign. There was some question about whether Bush would actually sign it. I think, and I don't know this for a fact, but I'm not sure that Wilson didn't ask him not to sign.

LAGE: Well, that's what I read, that Bush had promised Wilson at an earlier stage that he wouldn't sign it.

WHEELER: Yes, I don't know that for a fact. We never did participate in a discussion about its being signed or not being signed. I knew that there were constituents of the governor's who were concerned about it, and I don't know what communication might have transpired between the president and Governor Wilson about this. CVPIA was an attempt to bring the Central Valley Project into consonance with current thinking about market price for water, a phasing out of the subsidies, commitment to the restoration of the ecosystem, which had been adversely impacted by all of that. One concern we had and I continue to have about the Central Valley Project is the fact that although it is very significant, it is being operated independently, by and large, from the State Water Project. So this notion of being able to manage resources holistically cannot be realized in the case of water so long as you have two systems being

managed pursuant to two different prescriptions by two different agencies, state and federal.

LAGE: There was talk of the state taking it over.

WHEELER: We had proposed that as a solution to what was perceived to be a very real problem, that is, the management of the CVPIA and its allocation of water. I think, had the president been reelected, that might have happened. But afterwards, Clinton was not at all interested in that, in part I think because the environmentalists were skeptical that the state would be as supportive of environmental objectives as the feds might be.

LAGE: They might be more captives of agribusiness.

WHEELER: Right, that was certainly their concern. It made perfectly good sense to us, however, that the state and federal projects ought to be better integrated. That happened to a degree as the result of Cal Fed [Bay-Delta Program], which emerged just two years later.

LAGE: Yes, let's talk about that project. First of all, there was a big controversy over the Bay Delta water quality standards.

WHEELER: That's right. Like so many of California's resource issues, including endangered species questions that led to the NCCP [Natural Community Conservation Planning program] in southern California, we had reached loggerheads. That is, there was strong belief on the part of the Water Resources Control Board that there was need of standards, but there was also the federal preemption authority, and the question about whether those were federal standards or state standards loomed large. The state had its own set of ideas, the feds had their own.

LAGE: And this is for water quality in the Delta area.

WHEELER: Correct.

LAGE: And the fish, quality of the environment for fish.

WHEELER: And the question is, are you going to protect the fish, or are you going to protect agriculture and the supply of water that moves through the Delta to southern California. Something like 70 percent or more of the state's water originates north of the Delta, but that much is consumed south of the Delta, and that water all had to move through the Delta with adverse effect. And the adverse effect had a lot to do with deterioration of water quality. The question was, if the state had failed to meet its goals, which was quite clearly occurring, would the feds step in then to impose the federal standards, the stop-gap or default provisions. So it became not just a question of which prescription to follow, but a question of states' rights vis-à-vis the federal government, which in both the case of clean air and clean water asserts authority that it delegates to the states, but only pursuant to the standards which the feds must approve. Well, once the standard—if you fail to behave as a state, you run the risk that the feds would then reassert themselves. That was about to happen, the federal government had threatened to do that. All the more after Clinton became president, because you then had a tension between a Democratic president and a Republican governor.

LAGE: What I had read about that, I wanted to ask you more about, it sounded like a conflict within your own department and between the water quality aspect, which wasn't within your department—

WHEELER: And the water supply.

LAGE: Not a part of your agency. You had Boyd Gibbons in Fish and Game—

WHEELER: It's interesting, Boyd had come to become head of Fish and Game, and is someone I had known when he was working in Washington for the *National Geographic*. I had recommended him to the governor as a potential director of Fish and Game. At the meeting in which he was being interviewed, it turned out that they spoke a lot more

about their common service as advance men for the Nixon gubernatorial campaign, which is not something I knew at all about.

LAGE: This was way back!

WHEELER: Way back, when would that have been?

LAGE: Sixty or something?

WHEELER: Right, and very little about fish and game issues, and Boyd left, having gotten the job but largely as a result of that early connection.

LAGE: What was Boyd's outlook? Was he a strong—?

WHEELER: He was a very strong environmentalist, and attributable to his work at the *Geographic*. He had written a book about the development of Wye Island on Maryland's eastern shore, which was a Rouse project, and actually the fight to prevent development there, big supporter of efforts to protect the Chesapeake Bay. Had grown up in California, was anxious to return, and to have his hand at resolving these issues. So within my department, as you pointed out, or agency, you had both advocates for environmental protection on one hand, and you had in the Department of Water Resources the responsibility for maintaining the state's water supply. There were conflicts over any number of species and issues, but the Delta smelt was kind of the key indicator because it was a threatened species, and flows through the state pumping facility at the lower end of the bay. The pumps were regulated almost exclusively by standards associated with the number of smelt that would be ingested by the system and destroyed. A lot of back and forth about that, which it was mine to negotiate. In a way, and this happens now at the federal level still, the Bureau of Reclamation and the U. S. Fish and Wildlife Service are both in the same agency, it's a healthy way to deal with these issues because it forces both sides to be cognizant of the other's interests and to be somewhat accommodating.

LAGE: And both strong defenders of their own.

WHEELER: Of course, and with constituencies of their own.

LAGE: Right. The story I read or heard, maybe, David Kennedy has been interviewed—

WHEELER: Right, right.

LAGE: He said that you came down more strongly on the environmental side than Wilson later wished you had, and he kind of backed off from his previous statements that you had encouraged him to make.

WHEELER: Let me say, Wilson never told me that. If he felt that way, he'd never communicated it to me. I do know that his ag constituency was very much concerned. The fact of the matter is I had come to understand that the environment had been given very short shrift. If you're going to have to have a balance, as you should, there needs to be some semblance of parity between the two, and it was clear that water supply had been given much more attention over the years, historically, not just as a matter of one governor or another, and that we were beginning to pay the price. That was the whole point of *Cadillac Desert*. The water engineers, David Kennedy among them, just didn't understand the necessity of addressing environmental issues as part of their responsibility. They had always been charged with, appropriately, delivering water to the people who need it, ag and urban and industrial users, and this was seen as an impediment. If you were to divert water to those other, less well-represented needs, environmental needs, that meant it would come at the expense of people who had been accustomed to receiving it. He had a way of, he had a calculus to demonstrate—when we would argue how much water was being spent, 80 percent, let's say, for agriculture, which is the figure most people use—he would say, "Well, that's really not correct, because you have to take into account the fact that water that flows out of wild and scenic rivers, let's say the Smith River in far northern California, is water

being devoted to the environment, and if you took all of that water into the equation, not just developed water,” and we tended to look just at developed water, that is water that is made available by the systems, “then the water was far smaller as a percentage, 50 percent, let’s say.” So back and forth about that. That was an attempt to sort of bring some equilibrium. And, we were, I think, being forced by the prospect of the CVPIA and by this threat of federal regulation, to take responsibility for the state’s environmental quality as well as for its water supply.

LAGE: But on the other hand, one of Wilson’s big supporters was this ag constituency.

WHEELER: Oh, absolutely, absolutely. And early on, I think it was said, and again, you hear these things but I was never approached directly about it, early on it was said that, well, I had become too green, or was greener than anyone had anticipated, and therefore was surely not going to survive in the Wilson administration. Well, as it turned out, I stayed there longer than any other cabinet secretary. I attribute that fact to Wilson’s comfort with the level of interest and sort of the way in which I approached these issues. He never, as I think I told you earlier, had never had said to me, “Don’t go there.”

LAGE: He didn’t? Even on this issue?

WHEELER: Even on this issue. In fact, he was very responsive to the suggestions we would make about, for instance Cal Fed. I said, “Here’s the problem.” He liked the idea of the state takeover of CVPIA because of the problems we were having in getting a handle on federal management of the water that was its responsibility. His constituency liked it. As I say, environmentalists were not so pleased. I said, “Well, if we can’t do that,” and then Clinton was elected, so, but I said, “We’re going to have to find a way to coordinate the water supply regime in the state between these disparate interests,” not just between the state and the federal projects, which was important in itself, but

between agriculture and environmentalists, and the problems of the Delta all had to be resolved in a more comprehensive way than the current, the then-current mechanism, legal and policy mechanism allowed us to do. He had seen the success of water banking and water trading, he was a fan of Reisner. So the governor was, like all of us, really truly conflicted on this. You know on one hand that you had to have a balanced approach, you knew that the existing mechanisms were not going to be useful, and yet you had to be responsive to these various constituencies.

LAGE: Which are strong in California.

WHEELER: Right, and agriculture particularly strong, they were big supporters of his.

LAGE: So how did Cal Fed develop?

WHEELER: Just out of that realization, I think.

LAGE: And what—I guess you should give us a little general background, what was Cal Fed?

WHEELER: Well, Cal Fed was an attempt to bring to the table all of the players in California's water, but particularly in the Bay Delta estuary, who had some responsibility or authority with respect to management of the water supply. Again, born of two realities, one that you couldn't solve the problem of degraded water quality and threatened supply until you could do that comprehensively. And two, you couldn't do it without some attempt at reforming the mechanisms that were obstacles to its being done comprehensively. I cannot tell you how many different agencies, and I knew this at the time, had some responsibility, but you could name the principal actors and understand that they were all very well-established state and federal agencies, and regional. You had the Department of the Interior, which ran the Central Valley Project, and there also the U.S. Fish and Wildlife Service, which was responsible for the Endangered Species Act. You had the counterpart agencies at the state level, the Department of Water Resources and the Department of Fish and Game. You had the

water quality responsibilities of the State Water Resources Control board, and its regional affiliates. You had the U.S. EPA [Environmental Protection Agency] which set the water standards. You had the Corps of Engineers which was responsible along with the Bureau of Reclamation for the management of water flow and the permitting of the structure of the federal project, and you had all of the local governments as well. To say nothing of the so-called “stakeholders,” the people who were interested in the outcome but didn’t have any direct responsibility.

LAGE: The ag interests, fishermen.

WHEELER: Right, the environmentalists, right, the municipal water agencies. So it just seemed completely dysfunctional. We were all of us—and it was a parallel to what was happening in southern California on land. I used to say what we needed was an aquatic counterpart to NCCP. We were trying there to deal with the same set of issues, the same multiplicity of agencies, but we were doing it with respect to terrestrial habitats. We had to take that same approach in northern California.

LAGE: And was it, did this idea occur to many people at the same time, or who was the moving party?

WHEELER: Well, I have to say, we were the leading proponents in the state. That is, the Resources Agency and the constituent agencies, because they had all become frustrated too in dealing with their federal counterparts, and understanding that not any one of them had the authority to solve the problem. As I think I mentioned earlier, there usually is impetus for a solution when both sides come to the realization that they are not going to achieve their objectives, that is, there is complete paralysis. That had happened with water. We were about to battle in the courts whether it was a state matter or a federal matter. The Congress was considering how to deal with CVPIA reform, and no one was sure just how all that would turn out. If you could bet on one outcome or another,

you might have been content to let the thing play through, but no one knew. And we knew also that there was a public awareness born of *Cadillac Desert* and other outside commentary, that these issues had to be addressed.

The turning point, as with NCCP, was the appointment by Bill Clinton of Bruce Babbitt as secretary of the Interior, because Babbitt understood all this, and wanted as much as we did to develop some kind of a cooperative relationship that would transcend the politics and transcend the agency boundaries.

LAGE: Had you known him before?

WHEELER: No, I had not, except by reputation. He was attorney general of Arizona and governor of Arizona. Just immediately prior to being appointed secretary—and he had run for president, you may remember—but just prior to his being appointed, he was the head, the chairman of the League of Conservation Voters. He was a very high-profile environmentalist. Just as he was sort of becoming accustomed to his new responsibilities and the ways in which these issues might be addressed, we were doing so at the state level. We had had a two-year head start on him, actually. But we hit it off almost immediately and saw the mutual advantage to cooperation. It was in 1994—and the governor responded as well. He saw this as a forum in which we might legitimately address these questions. He could tell any one of his constituencies, “You’ll have a place at the table, but we do need to get on with solving these problems, the status quo is not satisfactory.” And we’d just been through the drought, we understood that. The system was dysfunctional.

LAGE: There was a certain sense of urgency.

WHEELER: Right, exactly. We had been saved by those rains, but we knew that the problem was still one essentially of supply and demand. There was more demand than supply.

LAGE: So what actually was Cal Fed? Were the environmentalists at the table?

WHEELER: Very much.

LAGE: And interests at the table?

WHEELER: Very much, very much. It was a partnership of those agencies and the stakeholders to design a program for the management of the Bay Delta estuary in all of its implications, water supply, water quality, protection of the environment. It's described as a restoration project, that is, to bring the Bay Delta back to health, but it's understood that that health includes its function as a conduit for the movement of water through the Delta successfully, satisfactorily, from north to south.

LAGE: And did you have a place at the table, or your agency?

WHEELER: Absolutely, both. I was the co-chair, Babbitt was the federal co-chair, and he was often represented by someone when he did not come to monthly meetings from Washington, but frequently came. He was represented usually by an assistant secretary or by someone at EPA [Environmental Protection Agency]. Felicia Marcus, who was the regional administrator of EPA, was an active participant, and Bob Perciasepe, who at that time was the assistant administrator for water at EPA nationally. It was very good, very strong Washington representation.

LAGE: And did you participate on a regular basis?

WHEELER: Mm-hmm.

LAGE: You didn't send deputies?

WHEELER: Hm-mm, I just felt it was so important. And we were beginning to see the outlines of progress. This started in 1994, it was a great announcement by Babbitt and the governor. Lester Snow was the director of Cal Fed—it's an interesting thing that from a government management standpoint, there was no entity known as Cal Fed, it was this loose partnership of the various participating agencies who had signed an agreement to work together and who were working by contributing their resources and

their personnel to this common effort. But there was no structure to speak of, it was agreed that there would be a director of the project who would be answerable both equally to the governor and the secretary, and that was Lester Snow, who was at that time employed by the Bureau of Reclamation, so he was a federal employee, but answerable to this coalition.

LAGE: Interesting, governmental—

WHEELER: Very interesting. And then the stakeholders were given direct responsibility for management of the environmental component, for its design and for its implementation.

LAGE: When you say the stakeholders, the agencies?

WHEELER: Those were all of the, no, the citizen participants.

LAGE: Oh, the citizens. How were they chosen?

WHEELER: Well, they represented the water interests, the water users themselves, and the environmentalists, essentially. They were each of them given a seat at the table, there must have been fifteen or twenty on the group that actually helped to design the environmental component and then later made decisions, I should say recommendations, about the expenditure of the dollars that were committed to the restoration effort, which started even before there was complete agreement on the program. I was about to say that the record of decision and the environmental documentation didn't occur until after we left Sacramento, but shortly thereafter. Lester Snow presided over that. It's that program which is now in the process of being implemented. It's a thirty-year \$8 or \$9 billion undertaking that is to meet the balanced needs of water supply and environmental protection. Until very recently, in fact, just earlier this year, the Congress had not reauthorized the federal funding. The state funding has always been constant, the state's commitment, even after Wilson left

office, Gray Davis continued and Schwarzenegger continued to support it, but the federal government, because the Congress was reluctant to support it, did not reauthorize its funding. But Senator [Dianne] Feinstein, working with counterparts in the house from the California delegation, succeeded in getting a bill passed, just within the last sixty days, to reauthorize federal funding as a match to the state funding.

LAGE: To continue this deliberative process.

WHEELER: To continue the process, which has since been transformed to a more orthodox government agency. It's still a partnership, but it now operates pursuant to state law. What the Congress did was to provide the federal funding in the match.

LAGE: I see. This is very complicated. And is it now an agency to work on these restoration processes?

WHEELER: Yes, yes.

LAGE: Rather than to deliberate.

WHEELER: Yes, exactly. To implement the record of decision, the plan that was adopted in 1999 or 2000.

LAGE: It's nice that it could continue into a new administration.

WHEELER: It's great, and there was concern that it would not. There's a lot of, in government, as you know, there's a lot of, "not invented here" syndrome, if it's not your idea or your program then you're not likely to be as supportive. But in this case, I think, again, it was a matter of necessity being the mother of invention. There had to be a solution to California's water supply issues. So long as you could demonstrate parity, that is, an interest in supply equal to the interest the environmental protection, you are likely to hold that coalition.

LAGE: Did the ag interests come to see that they might make money off of this water banking?

WHEELER: Certainly some of them did, and some of them did in fact prosper as a result of selling their water. We would joke about the fact that water was a more valuable commodity or crop than many of the things that they would have otherwise been able to sell. There are some who didn't see it that way, and there was concern about the so-called "third party effects." That is, if you agreed to move water from one part of the state to the other as we did early on in that first drought, then you would also deprive people of their livelihood who were dependent on agriculture in the community, the implement seller, the seed seller, the fertilizer salesman.

LAGE: The laborer.

WHEELER: The laborer. There was real question about that. We did not understand, I think, the full extent of that, nor did we have a way of dealing with it successfully.

LAGE: So you knew, I guess the end result was some loss of ag land.

WHEELER: Loss of land either temporarily or permanently, and then the loss of the attendant economy.

LAGE: And maybe some more urbanization in the Central Valley.

WHEELER: Right, right, if that land were then devoted to development.

LAGE: So there are all these secondary effects.

WHEELER: There are.

LAGE: They didn't come to the table.

WHEELER: No, we couldn't foresee all of that.

LAGE: Is there any key discussion or something you might want to mention as a way of showing how this group works?

WHEELER: Well, almost every decision was fraught with controversy. It was the smelt that keeps looming large. Kennedy kept a little, in fact, he gave one to me, a little smelt—he was dismissive of its significance, of course, and he gave one to me in a little bottle of formaldehyde that I kept on my desk. He said, “You need to realize that all of this is about the little smelt.” And so the smelt count became very important, and in fact, the agreement on Cal Fed was sort of smelt-derivative in that the flows through the pumps, and the state and federal systems both operated large pumps at the low end of the Delta for purposes of moving water through the Delta into either the state’s central supply facility, the State Water Project, or the federal canal, which run parallel down the Central Valley. It was literally the need to count daily the smelts that were being ingested, as I said earlier, or not, and then to calibrate accordingly the amount of water that could be pumped out. Kennedy would always, “What’s the smelt count?” Quite derisively, [laughs] as if the state’s entire economy and water supply were dependent on these insignificant creatures. We saw it as an indicator of a much larger problem, of course. And I think David understood that as well, but his job was to deliver water, and that was his principal preoccupation.

LAGE: The smelt were kind of an indicator species?

WHEELER: Exactly. Of the health of the ecosystem. We knew it wasn’t just the smelt that were being adversely impacted by high salinity, by runoff from agricultural use. In some cases, the water of the San Joaquin flowed north into the Delta because there had been insufficient flow to keep it moving in the other direction; really bizarre things occurred because we had so manipulated that system owing to man’s ingenuity over time.

LAGE: Man’s ingenuity.

WHEELER: Well, and so now a lot of what we're doing is to attempt to restore those systems that had been so completely modified. And it's underway not just in the Bay Delta, but in the Chesapeake Bay, and in the Everglades as well, comparable situations.

LAGE: So it sounds like an area that you feel good about, the water.

WHEELER: I can't say that the problem has been solved, but I do feel that we had to find a solution that would embrace the state's needs and that, yes, as you point out, Cal Fed has persisted. My sense was and is that these long-term solutions and large-scale solutions require a degree of persistence and continuity that the government doesn't always provide, or cannot always provide. So how is it, now we're ten years later, that we can sustain that commitment, after we've moved through the emergency, after the initial excitement has subsided, how can we make sure that people remain committed and supportive? Similarly with the NCCP, which is also a long-term effort to restore habitat and to protect it.

LAGE: That's our next topic. [laughs]

WHEELER: Exactly.

LAGE: Should we move into that?

WHEELER: Sure. I would just say about water, finally, that the existence of Cal Fed is a testament to this notion that if you do bring people to the table and if they do feel that they're being given an opportunity to participate, that their views, however they are finally heeded or not, have been given due attention, and that they then become not advocates necessarily, but at least supporters or complicit in the implementation of a solution which would not have been the case if we had failed to include all those various interests.

LAGE: Now, you mention environmentalists coming to the table. I know Jerry Meral—

WHEELER: Meral.

LAGE: Was an environmentalist who was—

WHEELER: Tom Graff was—

LAGE: Tom Graff—

WHEELER: Tom Graff was probably the foremost water specialist in the state, in the environmental community, the environmental defense, was an active participant. People from the Nature Conservancy, Leslie Freedman Johnson comes to mind, Zeke Grader was there representing the fishing interests.

LAGE: How did your old friends in the Sierra Club feel about Cal Fed?

WHEELER: That's a good question. They were not active participants. Water was not as high on their list as other issues, and I don't remember them being there on a regular basis. I don't think they were critical of it, or at least I don't recall their having been critical of it. [telephone rings] That's the phone, and hopefully Chester will pick it up.

LAGE: Okay, so it wasn't a case where the environmental community split?

WHEELER: No, there was no overt hostility, but there was disagreement from time to time on whether we had maintained the balance. The question was how to allow each side to progress in tandem such that no one objective got out ahead of the others. There were essentially two always sometimes in conflict, water supply on one hand and environmental protection on the other, and the environmental advocates were always pushing to address first the environmental needs, the water supply people the other, and we had to maintain some equilibrium, as I said. Lest we lose the political consensus.

LAGE: Your Mr. Snow must have been—

WHEELER: Very good, very good. And today, Lester Snow is the director of the Department of Water Resources. So we're fortunate that he had served as a federal appointee at the

Bureau of Reclamation, served as the director of Cal Fed, and now is in a very significant state position.

LAGE: So Schwarzenegger appointed—

WHEELER: Appointed him. So he has seen these issues from the perspectives of both state and federal governments. He has also understood, because he was present at the beginning, so to speak, the whole dynamic of Cal Fed.

LAGE: Very interesting. That's a good place to leave water, it seems to me, in Lester Snow's hands. [laughs]

WHEELER: I would agree, I would agree.

LAGE: Let's talk about NCCP and within the context of the Endangered Species Act and the collaboration—

WHEELER: Right, there is a very close analogy, as I've already said. In fact, NCCP preceded our efforts at Cal Fed. It too came from a realization that there was a paralysis, preexisting actually, when we came to Sacramento, over implementation of the Endangered Species Act. In the most rapidly growing, most economically significant part of the state from a housing standpoint, southern California, land was one million dollars an acre or more, developers were concerned that these creatures again had gotten in the way of the development that was needed to sustain California's growing population. But environmentalists, environmental advocates, had been successful in sort of using the Endangered Species Act as a barrier to development, which they thought was inappropriate.

LAGE: It was probably as much against development as much as in favor of the gnatcatcher?

WHEELER: Oh, absolutely, absolutely. I think that's been the history, the thirty-year history of the Endangered Species Act. It is the most potent of the federal laws that regulate private activity, and for that reason has been seized upon, I would argue, to achieve goals that

were never its intent. I mean, it was never intended to be the federal land use mechanism of choice. But that's certainly what it has become.

LAGE: We didn't get a national land use policy, but we got an Endangered—

WHEELER: A land use policy, but we got an Endangered Species Act. Well, in fact, the series of events is quite a bit like that. Because I was working at the Department of the Interior at the time, we made very strong efforts in the Nixon administration to secure national land use planning, and that was in 1972. It was followed quickly by the Coastal Zone Management Act, which was land use planning in the coastal zone, on the model of the proposed land use planning program nationally. Then in 1973 we got the Endangered Species Act, but the focus in that law then and now was on the protection of individual species, and the prevention of their extinction, not on the protection of habitat or ecosystems, which have evolved as the science evolves, a realization that the species were in fact dependent on their habitat and that loss of habitat was a direct predictor, if you will, of the loss of species. The law was interpreted by the courts increasingly to have impact on adverse modifications of habitat.

LAGE: Did you get involved in this at World Wildlife Fund?

WHEELER: Yes, actually, at Interior. I was at Interior, helped to write the act when it was part of the Nixon environmental program in 1972 and 1973. Its evolution, it seems to me, is sort of parallel to our growth and understanding of conservation biology and the connection of species and this whole notion of bio-regional planning. The biggest fault of the Endangered Species Act as it was written, anyhow, was that it was species- and site-specific. It caused us to look at individual species, kind of an emergency room, we say, for species that might be on the decline. That does not give you the tools necessary to do regional planning. Both with NCCP and with Cal Fed, we had to

construct what I call an institutional ecosystem to pull together the various disparate authorities and to make some sense out of them to sustain the region or the habitat.

LAGE: Institutional ecosystem, interesting.

WHEELER: Right, the idea is that we didn't have government mechanisms equal to the challenge that E.O. Wilson and others had identified, which is how to manage resources on a scale sufficient to assure their protection. The Endangered Species Act is not an ecosystem law, it was a species-specific law, and until NCCP, that's how it was dealt with. If you were an individual developer and you owned a parcel of land, and you had the fortune or misfortune to be the host to an endangered species, let's say the gnatcatcher, the law, as the courts interpret it, would say you must protect that species by protecting a particular parcel of your holding as its habitat. So you would do that and only that which the law required, obviously, protect that habitat for that species. But if it happened that there were other related species and if the bird needed habitat beyond that which was on your property, there was no way to get to that solution.

LAGE: So how did it evolve? The NCCP.

WHEELER: NCCP, Natural Communities Conservation Planning.

LAGE: Right. Did it come first, or did this California memorandum on biological diversity come first?

WHEELER: It came ahead of the biodiversity MOU.

LAGE: Okay, let's start with that. I also heard that Donald Bren or his outfit was instrumental—

WHEELER: Well, they were, and that's because they were among the governor's most ardent supporters for election in 1990. When the governor was elected they pressed him to find a solution.

LAGE: This is the Irvine Company.

WHEELER: Company, right. Because they among other developers in southern California had run afoul of the act and had seen this paralysis which resulted from litigation over its application.

LAGE: So there had already been some litigation at the time, the planned area for the gnatcatcher.

WHEELER: Correct, the California gnatcatcher, a little bird. They had said to the governor, "All right, you're now elected, what are you going to do about this?" He turned to me and said, "You'd better find a solution to this." We had sort of a broad idea, and it was incorporated into Resourceful California even before I had my first conversation with the people at the Irvine Company or in the building community generally. But we didn't quite know what could be done or what had to be done. There again we were very much encouraged by the support of Babbitt who had at the time he was appointed become a champion of some provision in the Endangered Species Act, little known until that time and little used, called "habitat conservation planning." Which said if you agreed as a landowner to manage your land to benefit a suite of species, and you would agree to do so pursuant to a prescription written by the Fish and Wildlife Service for a period of fifty years, you were then relieved from any further obligation, the so-called "no surprises" provision, to deal with endangered species requirements. And you were given what is called an incidental take permit, that is, you could proceed with your ordinary and otherwise lawful activity, notwithstanding that along the way you might incidentally adversely impact the species or the habitat. That was a big incentive for a developer to say, "Okay, I'll devise a habitat conservation plan."

LAGE: Did that come with later amendments, more recent amendments?

WHEELER: Yes, 1988. The act was authorized in 1973. It was not a part of the original law, but there was need for an escape valve. Until 1988, the specific prohibitions of the act

were so stringent that there was concern that it might collapse of its own weight, that is, there was a section nine of the act that was absolute prohibition against the take of the species or the modification of its habitat, as the courts later read, “take” to include habitat. So this notion of a habitat conservation plan was put on the books. There maybe were a handful around the country, but it wasn’t until Babbitt included “no surprises” shortly after he took office that HCPs became widely used.

LAGE: 1992.

WHEELER: Now there are 400 or 500 of these habitat conservation plans.

LAGE: So he kind of put it in the regs.

WHEELER: He did, he wrote regulations. Interestingly, those regulations are currently subject to court challenge. There is some question about whether he didn’t exceed his authority to give the landowner that waiver from compliance for a fifty year period. We saw that as a way to help address the problems in southern California. We there, again, had to deal with an issue in which the federal government had responsibility under the Endangered Species Act, but there was also a state endangered species act. The landowners were saying, “Tell us what we have to do, all we need out of this process is certainty, but we don’t have certainty, we don’t know what we need to do to meet the federal law, what we do with the state law, and we certainly don’t have any way by which we can deal comprehensively with this issue. We would just like to know once and for all what land has to be set aside, what land, conversely, can be developed appropriately.”

LAGE: That sounds like your more enlightened developers. [laughs] Not your ordinary developer.

WHEELER: Yes, except—and it did tend to be the bigger developers who had the time and the inclination to see these issues from that broader perspective. But there were several,

not just Irvine, but others who did see that, and they formed a critical mass of supporters for this approach. But there again, it was both quite simple and then profound that you bring these people to the table, and you say, “All right, here’s the status quo, here’s what will happen to you if we don’t find a different solution, namely either you’ll have paralysis or you’ll have, worse yet, liability for failure to comply with the act. Here’s what the environmentalists want, and here’s what we know should be done, how do we get there?” What evolved from that discussion, literally around the table, was a five-county regional plan covering virtually all of southern California that identified the coastal sage scrub habitat, not just of the gnatcatcher but the other forty or some listed species.

LAGE: Really, forty species in that area. This is the coastal sage scrub.

WHEELER: Scrub, and it turned out that the habitat approach was more productive than the species approach. That is, if we protect the scrub we know we have not just the gnatcatcher, which is sort of the other indicator, the Delta smelt if you will, but all those other species of the scrub. Protect enough scrub, in quantity and quality and in configuration, that is, proximity to other protected areas, and you will have solved the problem. Babbitt said, “You do that and I’ll give you a habitat conservation plan approval that would include this fifty-year no surprises provision.” So it caused the landowners and the local governments and the environmentalists to get to work. We appointed a scientific advisory panel who would tell us, no one really knew how much coastal sage scrub was out there, how much of it had to be protected in order to preserve the various species, and then how you could achieve protection. That is, what prescription would be sufficient. Did it have to be completely owned by the public? Could it be partially owned and partially developed? We ended up in a sense with a map that was a regional land use plan for southern California. And that is intact today.

LAGE: How long did that process take?

WHEELER: It took the better part of five years, I would say.

LAGE: It started almost immediately.

WHEELER: Almost immediately.

LAGE: It was part of Resourceful California.

WHEELER: It was. It was.

LAGE: How did you come up with that title?

WHEELER: That's a good question. No one liked the title. It was Mantell's idea, actually. Then people said, we ran afoul of people who said, "Aha, just as we suspected, this was an attempt to impose a land use plan on southern California." They said it sounded suspiciously like CCCP which were the Russian letters for the old Soviet Union; the NCCP was a Communist plot to deprive landowners of their rights. I remember going to a meeting with Babbitt in which there were pickets in southern California, carrying signs with NCCP and a big slash through it, and he said, "Couldn't you have come up with a better name than that?"

LAGE: So this was sort of the Orange County right wing?

WHEELER: Of course, of course.

LAGE: The populace, not just developers, but—

WHEELER: No, no, the developers were supportive, by and large. These were property rights advocates. They were everywhere evident in those days. We didn't talk yet about the Sierra Summit, but that was a place where there was opposition to notions of biodiversity. The biodiversity MOU gave rise to that same opposition in some quarters. People who were essentially conservatives didn't think there was a role for government in solving these problems. NCCP got off to a rocky start, but things improved after that sort of birthing period, after buttressing our plan with good

science. Even some of the environmental community were not too sure that they hadn't made a pact with the devil. That is, okay, we agreed to incidental take, but are we getting as much protection as we should in return for that?

LAGE: Well, you did get some environmental groups locally who were quite opposed.

WHEELER: Local chapters of the Audubon Society, NRDC did a report five, six, seven years out, in which they were both critical and supportive. One of the earliest battles had to do with, again, the fact that there was no legislative mandate. We were working literally with an ad hoc coalition and this kind of institutional ecosystem that would enable us to make use of state and federal statutes in support of the plan, and local ordinances, because ultimately, responsibility for that plan over time was going to rest with the local land use authority. The people who actually zone land were the ones who had to make sure that habitat was protected or not.

LAGE: So this is cities and counties?

WHEELER: Cities and counties. And you had 200 of them within this area, any one of whom could have wrecked the plan, and could still wreck the plan by failing to participate or by modifying its prescriptions. It is a remarkable degree of cooperation that—

LAGE: We have to stop here because—

[Begin Minidisc 6]

LAGE: Okay, now we're going with our second tape, we haven't missed a thing.

WHEELER: And we're in developing of the NCCP.

LAGE: The NCCP and how complicated it was.

WHEELER: Right, and the fact that we had taken Babbitt's habitat conservation plan and enlarged it to include multiple species over this large territory and to incorporate the requirements of state law. This was, we called it HCP Plus, not just a habitat

conservation plan as Babbitt intended for a particular species and a particular site, but a multiple-species plan over a huge land area.

LAGE: Now, was the Irvine Company part of that big plan, or did you do a separate one with Irvine?

WHEELER: They were part of the big plan, but each region had a separate sub-plan, and they were active in what was the central coastal sub-plan. That led to the set-aside of 13,000 of their acres of coastal sage scrub for this purpose. They are the largest single contributor therefore to a total of about 200,000 acres in the five counties which have been permanently set aside. My argument to people who have said that this was not a good outcome or a good result is that we would have achieved, have in fact achieved, far more protection using this device than would have been the case if we had proceeded as the act had required originally, one site, one species at a time.

LAGE: But might the act have just stopped development all together?

WHEELER: It might have, but Babbitt's concern was, and I think he was right about this, that the act would have been the victim of a train wreck then, that there would have been such enormous pressure, had that been the result, that the act itself would have been amended as happened in the first instance with the Tellico Dam. The first test of the Endangered Species Act had to do with a project, a very substantial project of the Tennessee Valley Authority that was maybe 85 or 90 percent complete when the Supreme Court held that the act in fact prohibited its being completed because of its adverse environmental effect.

LAGE: The snail darter, that's a famous one.

WHEELER: The snail darter. The Congress then enacted a way around that.

LAGE: So the idea was that if you stopped development, as many people would have hoped, since that area was getting so overdeveloped—

WHEELER: Right, you would have, the act would have been lost.

LAGE: What do you think about the argument that Bren did set aside a lot of land but a lot of it was land that wasn't that buildable? Is that the case, do you think?

WHEELER: I can't answer that, I don't know the answer to that question. I suppose some of it would have been developable in any event. But the fact is, the land identified was the most important to the species, which was our principal criteria. It's a bit off the subject, but he has together with that 13,000 acres contributed now a total of 50,000 acres of the original Irvine Ranch, so roughly half of it has been set aside for purposes other than development. Not just NCCP, but parks and recreation. So it's now going to be his most important legacy, probably, a big chunk of Orange County is forever protected.

LAGE: And he did protect himself by writing in he wouldn't give up the land until development had been approved on other areas?

WHEELER: Right, right. In fact, there is sort of an escrow arrangement in which that was required. It was a smart thing for the development community to do. That is, if this is going to work, if what you say is its promise can be realized, we'll participate, but not until we know it will work, not only until we know that on those areas that are designated as suited to development, development will actually be allowed. They were concerned about a so-called "second bite at the apple." Okay, we'd agree to set it aside and then we'd go for our development approval and be told that it wasn't adequate or we had to do more. This happened, incidentally, with respect to the Ahmanson Ranch, which was not a participant.

LAGE: Where was that?

WHEELER: That's in northern Los Angeles County. It was a model development program, 10,000 acres of its total area set aside out of the box, with the kind of dense development that

we had always recommended, that is, cluster development, to protect open spaces. It was, over time, more and more the argument that, well, additional set-aside had to occur. They didn't ask for their development entitlements at the first, and later found out that they had to give up more and more. Ultimately, there was a campaign to protect the entire ranch and it has been acquired with public funds, so there is no development there.

LAGE: That one would have pleased many environmentalists, I'm sure.

WHEELER: Well, it would. In fact, the ones who surround it were the ones who were loathe to see new development and they mounted a campaign that resulted in Gray Davis providing the funds, ultimately, for its acquisition.

LAGE: Why do you think this plan—did it work? I know it worked on the Irvine Ranch, did it work in that entire area?

WHEELER: Oh, very much so. In fact, it's been expanded upon. The principal successes were in Orange County, San Diego County, where the City and County of San Diego now have a MSHCP, a multiple-species habitat conservation plan, and it is about to work in Riverside County. Interestingly, Riverside took the whole concept one step further. That is, they integrated not just the requirements for the Endangered Species Act, but also for transportation and for housing and other infrastructure, and merged those into a county-wide so-called "integrated plan." That is in the process now of being implemented.

LAGE: Was the state a moving party in that?

WHEELER: Oh, yes.

LAGE: And the feds?

WHEELER: Right. Again, you have to credit the Endangered Species Act with having been the impetus for all of this. But it's the act as we have come to use it, not as it was originally intended, I would say.

LAGE: It's sort of the hammer over the heads.

WHEELER: Absolutely. And there's no question that without that hammer, none of this would have been achieved. So even though it's being used in ways that probably were not intended by the Congress, it's being used to good effect, I think. That was Babbitt's point. Babbitt said you can look at this as a glass half full or half empty. I always felt that he wanted to make sure this was a glass half full. People would say, "You've given up too much, you've allowed the act to be in some way distorted for this purpose." He'd say, "Look, it's this or nothing. We are likely to face the prospect of the act being amended so that its most important provisions are lost."

LAGE: You seem to have—to see things quite similarly to Babbitt. Did you feel that way?

WHEELER: We did, and it was a very, very fortunate convergence, across several of these issues, that he was a committed environmentalist, but who had constituencies as we did at the state level who needed to see that this could be made to work, that is, he kept saying, "We've got to avoid a train wreck here." We had exactly the same objectives. The governor had said to me, "You've got to solve this problem." Well, how do you solve the problem while being consistent, or being consistently concerned with implementation of the Endangered Species Act? We had a state law, he had a federal law. Until then, no one had devised the mechanism by which we could integrate these various concerns.

LAGE: Can you think of a particular meeting—I'm just trying to get some of the flavor that won't be someplace in the written records—where a crucial coming together occurred?

WHEELER: Well, I think that it probably occurred when John Turner, who was then the assistant secretary for Fish and Wildlife and Parks, came to Sacramento and was himself a distinguished conservationist. I'm sorry, he was not assistant secretary, he was director of the U.S. Fish and Wildlife Service, so he was Babbitt's lieutenant. He is now an assistant secretary of state for Oceans and International Environmental Affairs.

LAGE: In the Republican administration.

WHEELER: In the Republican administration—came to, and had been in Bush I, so this happened just ahead of Babbitt, he was still in office, it would have been 1991 or 1992, shortly after we got there—to suggest to Governor Wilson that this might be an approach to meeting the requirements of the Endangered Species Act, and to sort of endorse what we had suggested, I said it would really help me if someone older than I was saying to the governor, “Your constituency would be pleased by some relief we could obtain from the strictures of the Endangered Species Act,” if the feds themselves could say that that would be the case. He said, “I’ll come out and see what I can do.” The governor was interested but not intensely so. As with other issues, I felt the governor was very comfortable in delegating responsibility to his cabinet and his subordinates, picked people he had confidence in and allowed them to do their jobs. Not by any means a micro-manager. They had a meeting, but it was a perfunctory meeting. I think Turner as I recall said, “You’re on to something here, Governor, we will do as much as we can to support you.” This was before—

LAGE: Before Babbitt came.

WHEELER: Before Babbitt came. “We like HCPs,” but he was having trouble getting launched as well. He said, “Maybe the state’s participation will be a signal to landowners that this is going to be a legitimate approach.” “No surprises” were not yet in the offing. The governor was polite but not much more than polite. Turner came out of the meeting

and he said to me, “Doug, I’m not so sure you’re going to get to where you think you will, the governor doesn’t seem very enthusiastic about this.” I said, “Well, it’s because he is not as deeply involved in the details as you and I are. But I’ll tell you what you could really do for me that would be helpful in cementing his support and the state’s support, come with me to a meeting of the landowner-developers of southern California,” that was scheduled for that very evening. John said, “Well, I’m due to fly someplace else.” I said, “I’ve got to go down to southern California tonight and face a group of somewhat skeptical developers and landowners about all of this, and they will surely report back to the governor if they are not pleased with what I have to say. It would be much more effective if you would speak for the federal government and offer the assurances that I had said would emerge if we were successful.” He, very much to his credit, agreed to do that. We got him on a plane, changed his plans, got him on a plane, we flew to Newport Beach, had a very elaborate meeting, and he was the sort of surprise guest of honor. This was like walking into the lion’s den.

LAGE: I’ll say. So you had these major—

WHEELER: Right, major developers and political operatives there.

LAGE: He was director of Fish and Wildlife at the time?

WHEELER: Right, so for me to bring him along, either, I thought this was either going to be very, very damaging, or quite successful. It could have been damaging in the sense that they’d say, “Well, look at this, Wheeler is clearly friends with these people, he’s a captive of the federal government, he’d doing their bidding, this is all a plan to expand the authority of the Endangered Species Act.” Or, they would say, “Look, he could deliver the director of the Fish and Wildlife Service to tell us that this plan is going to work,” and that the feds would honor the state’s initiative in that. Well, it turned out to

be the latter. He performed beautifully, he said, "I've just come from a meeting with your governor, I've offered him assurances that this would be a successful program, and I'm wanting to tell you the same thing, that if you do what you are claiming you are prepared to do, then you won't have the feds to worry about," essentially. It was Babbitt then who sort of kicked that up to the next notch, he threw in the added incentives of "no surprises." He also introduced the notion of what's called "candidate species."

LAGE: Candidate species.

WHEELER: That is the inclusion of not only the species which are listed, but the species which might be listed. If you provide protection for those that are sort of on the verge of being listed, or which have been proposed for listing, that if you protected those, that even if they were later listed, you could be immune from the requirements of the law. So he took those incentives and made the whole transaction much more appealing to developers who were still skeptical.

LAGE: So tell me more about developing these relationships with the developers.

WHEELER: Well, for me that was a new experience, of course. Again, as with the agricultural community, you knew these were the governor's supporters, you knew they sort of viewed me somewhat suspiciously.

LAGE: They may not have been as impressed with your Sierra Club credential. [laughs]

WHEELER: No, they certainly were not. [laughs] And that made them always a little bit skeptical, "What are his true colors in all of this?" I always felt it important to demonstrate to them that I understood their issues, that I was attempting to find legitimate solutions. As I said earlier, in every one of these cases it was the notion that they had come to loggerheads that really gave me the opening to say, "All right, you have a choice here, you can either work with us to find solutions or you can face continued paralysis."

Until the time that they realized that those were the only choices, you really couldn't get their cooperation. Many of them became convinced that this was the way to go. Not all, by any means, and many of them had ties back to national organizations, like the National Association of Homebuilders, who did not want them to become engaged in a process which could be later advertised nationally as a solution to this issue, for fear that somehow this would become a national model, and that other developers in other parts of the country would be therefore subjected to multiple species planning or habitat conservation. But I did become friendly with a couple of these people particularly, and Monica Florian is a name that stands out. She was the senior vice president for planning at the Irvine Company, and to a very great degree she threw in her professional credibility and her energy to solving this problem. Because the Irvine Company was such a lead developer in Orange County others followed. When they saw that she was prepared to do this, it gave great credibility. Our biggest problem during that period was the absence of a statutory framework. And then the environmentalists wanted a framework that I thought would be early on too constricting. That is, we were still in the experimental phase, we weren't quite sure what would work, what wouldn't, what authority we need, what authority we already had. I remember time and again having to persuade Byron Sher to not enact a law—he wanted, “Let's enact the NCCP law,” not enact a law that would write such a prescriptive framework that we wouldn't have the flexibility that we needed to meet these situations case by case. Finally, as with Cal Fed, the experiment became codified, and now we do have a set of rules that govern, so that if you wanted to replicated NCCP you could do it, with the full sort of panoply of federal and state laws that are needed.

LAGE: Now, when was it codified? Much later?

WHEELER: Much later. After we left, in fact, because we resisted codification.

LAGE: What kind of things would be written in that you didn't have to—

WHEELER: The ability to open plans that were found to be inadequate for some reason. The role of science—

LAGE: To reopen them later?

WHEELER: Yes. The role of science in shaping the plans, there was authority for funding—that was always a problem because once you identified the acreage to be acquired, there was a question about how to acquire that, whose responsibility was that then? You could, in cases where it was privately owned and incidental to development, as we did ask Irvine to contribute 13,000 acres, but if it were land not owned by a participant but by a third party, you had to acquire that land to make the plan whole, and where would that money come from?

LAGE: You mean there might be a third, kind of a mitigation—

WHEELER: Well, in effect, you had a plan, the scientists have said, “You need this land, it happens to be owned by one of the developers, but there's this land over here that's owned by a third party, a citizen, but it's critical to this configuration we're trying to achieve. It's going to have to be acquired outright, you can't impose a regulation, they have no incentive to give their land, they're not going to give their land, they're not a developer, they're not anxious to get development approvals, but we need that land, we have to go out and acquire that land.” Much of it was very, very expensive land, so you need a source of funding. The Endangered Species Act provided some, the other sources were federal, state funding, and most of it was bond money. There's now authorization to spend state funds for that purpose. An innovation that grew out of this need to acquire land, though, roughly analogous to the trading of water rights, was land banking, or conservation banking, in which the land of a third party, if it were

approved or recognized to have these values and had to be protected, would be available to a developer who had mitigation requirements to meet, and could buy those credits. In effect, pay the landowner for some portion of his or her land and thus assure the protection of that land, even though it's off-site or unrelated to the developer's project.

LAGE: Because you would expect that the developers should be the ones to foot the bill rather than the taxpayer, somehow.

WHEELER: That's right, that's right. Except that the developer wasn't always getting a quid pro quo. That is, depending on where you were situated in the scheme of things, you may have met your mitigation requirements but have not helped to complete the plan; we had need for other intervention to complete the plan. You know, there's a piece way out here that's unrelated to everyone's objectives. So it was agreed that to the extent that that occurred, the federal or state governments would participate. Banking was a way, where you did have mitigation requirements, to meet those off-site. In fact, it was an interesting thing. The evolution of mitigation has been quite remarkable over a fairly short period of time. Originally, mitigation was on-site, in-kind. That is, you had to set aside a portion of your parcel if you were a developer that met the requirement and had to be exactly the kind needed to sustain the species.

LAGE: Now, where did that—what time period was that concept?

WHEELER: That was prior to NCCP. It was probably a function as much as anything of CEQA [California Environmental Quality Act], which has mitigation requirements built into it. So this was an issue peculiar in some ways to California. Environmentalists were accepting, but barely, of that. Then you had the notion of off-site mitigation. Well, okay, if you can't produce sufficient quantity or quality on your land, you'd have to acquire it somewhere else, but it had to meet the same criteria, but it would have to be

in the same kind, let's say it was coastal sage scrub, you had to find coastal sage scrub. Finally it evolved to off-site and not in-kind, necessarily. That is, if you were contributing to some general conservation objective. But this notion of banking was resisted by some conservationists who said, "Look, all this is is permission to develop; you are making it possible to develop land that otherwise would not be developed by giving them this opportunity. If you insisted they mitigate the impact in-kind, on their land, and they couldn't do it, well, they're out of luck, you're giving them this opportunity." The answer to that was one, we were allowing conservation to occur or permitting it to occur that wouldn't occur otherwise, but second, I think you are finding a way to enlist the sort of incentives, the private sector incentives, that we've always sought for landowners to set up these banks, and rather than to develop land, to see in land its value for conservation, and to realize a profit from the sale of these credits out of a conservation bank. That emerged not as an end in itself, but as a way by which to achieve the goals of NCCP.

LAGE: Did you ever feel uncomfortable with that?

WHEELER: No.

LAGE: Did you ever feel they were going to acquire this land on some cliff that could never be built on?

WHEELER: No, no, because it had to be land that met the requirements of the plan. That is, it had to be contributing to the overall objective, which had been developed in very good—

LAGE: Within a certain area? It wouldn't be something up in northern California?

WHEELER: Right, no, no. It could be within the five-county area, which is a huge area, but we knew from the advice we had gotten from the science advisory panel where we had to get coastal sage scrub protected, and we knew we had a huge task to get it all protected. We used at least three different means, one to require it of the developer if

they happened to own it, like Irvine, one to require it in mitigation for developers who had those exactions imposed upon them, and they could either do that by going out and buying it themselves or by buying credits out of a bank, and then third, by buying it publicly, where we could not impose a requirement upon a developer since there was no nexus to their development. Ultimately, this is going to be a multiple-billion-dollar investment, but it will protect for all time to come some very important habitat in southern California. And that has become a model.

LAGE: Has it become a national model?

WHEELER: But again, because it gave us a way to deal with multiple species over a large area beyond what I call the single-species, single-site approach of the Endangered Species Act. (I'm covering the mike, I'm sorry.)

LAGE: That's okay, you just did it for a minute. It seems so capitalist, this idea of banking, mitigation banking, and it's been now water, air, and now land.

WHEELER: Correct. I think it's an appropriate adjunct, not a substitute for regulation. I think regulation within our legal system will only carry you so far, to the point where it becomes a taking. If you regulate, if I were to take Donald Bren's Irvine Ranch and decide for reasons having to do with recreation or habitat or water that I didn't want any development there, the Constitution of the United States would not permit that, because he's entitled to private property rights and the courts have said so long as there's—if you deprive an owner of all of their economic value, then you've regulated to the point where they have to be compensated. There are limits to regulation. More than that, what you would like to do is find ways in which the market becomes an ally in helping you, so every bit as appealing to some landowner as the development option would be a conservation option. I remember a story from the Bank of America, which had acquired a lot of real estate in southern California as a result of the banking

collapse, which occurred in the early nineties. They had been lenders to banks, other banks, and in the savings and loan scandal became unwittingly the owners of real estate that had been in the portfolios of these other, collapsed institutions. They were looking around at how best to realize value, they set up a series of these conservation banks and said, "Look, we made more money by selling those lands for conservation credits than we would have if we had gone through the trouble of finding a developer and securing the approvals and going through the development process, and we felt a lot better about the outcome than if we had sought the development options."

LAGE: That's very interesting.

WHEELER: It's not without its detractors. As you point out, some environmentalists will say you've helped to facilitate development. My view is that it's kind of like saying you've helped people get sick by providing hospitals. If you provide a solution to a problem that will exist in any event, you haven't caused the problem, you've simply helped remedy the situation.

LAGE: Are you happy with the science? I've also heard criticism that there really wasn't enough science.

WHEELER: Oh, I think there can never be enough science. What surprised me was when we finally got agreement from all these people around the table, "Yes, we're going to protect sufficient habitat that we'd be comfortable then in making decisions to allow development elsewhere," we didn't really know a whole lot about the extent of habitat in southern California, despite the fact that the Nature Conservancy had a heritage inventory, the state had worked for a long time in developing data, and the feds had as well. So there was, in a state as sophisticated and as reasonably well-positioned as California, inadequate data. We stopped the process to go out and get the data. But that's only part of the problem. You then had to get the opinions of eminent people

about what of this had to be protected, and that's a tough call. You don't really know, you're projecting what you think would be adequate for this purpose. So I'm sure we made some mistakes, and I'm sure that we could have gotten more science, and we've continued, as I said, as part of the Sher legislation, pretty rigorous requirements now in the law, we didn't know at the time how much science would be useful, and how much we needed, but we got some of the very best people in the country to help us think this through.

LAGE: How well did you work with Byron, Byron is it, Sher?

WHEELER: Byron Sher, I thought I got on with him reasonably well. He appreciated what we were trying to do. He was the sort of bastion of the ardent environmentalists who didn't like what we were doing, so there was some natural tension and we saw it on every one of these major initiatives, Cal Fed, NCCP, later the Headwaters transaction, the biodiversity council, Lake Tahoe. He was always the person asking for more, or wanting to make sure that there was all in these transactions that we had represented, which is an appropriate role because these people, environmentalists mostly, who did not have access to the governor, had access to him. The legislature was controlled by Democrats, so it was an appropriate balance between what Wilson might try to achieve and what a legislative body ought to be doing. But I think, at least I hope, he felt that I was acting in good faith. We communicated frequently, Kip Lipper who was a member of the staff was usually the person that I talked to.

LAGE: Kip?

WHEELER: Kip Lipper. We didn't always agree, but we always had a good dialogue.

LAGE: You didn't see him as throwing up roadblocks? Was he constructive, or was he kind of beholden to the more radical camp?

WHEELER: Well, I would say in some cases he was not as cooperative as he might have been.

LAGE: From your point of view. [laughs]

WHEELER: From our point of view, but I don't think he was doing that deliberately to be obstructive. You know, I think that to some degree some environmentalists, and I wouldn't say this was his situation, but some who were talking to him would have preferred not to see these problems solved. My view is that in some cases their purposes are better served by continuation of the conflict and the confrontation. That's not constructive.

LAGE: Tell me more about that, what groups? Are you thinking of local groups?

WHEELER: Local groups, so-called "nimby" groups. To some extent this has been characteristic of the Sierra Club's approach, I would say. There's a good example of that in the—and we haven't talked about the Quincy Library yet.

LAGE: No.

WHEELER: That's kind of a little microcosm of the dynamic here, and we can talk about that in a minute if you'd like.

LAGE: Yes.

WHEELER: But there is this feeling that to compromise, to be in the least bit conciliatory is somehow to eschew the principles or the underlying purposes of an environmental organization, that you'd better be right than succeed. We used to say the perfect is the enemy of the good. If you tried to achieve perfection, you'd never get to good, and we were always trying to get to good.

LAGE: Do you think the organizations, it was partly self-preservation?

WHEELER: Oh, sure. They have to be able to identify catastrophe as the likely outcome of inaction or failure to be particularly vigilant. So it's self-preservation, it's an attempt to be relevant, if the problem is solved there isn't much to be aggressive about. And I don't mean to overstate that.

LAGE: Right. Do you think this kind of collaborative process could have been undertaken by a Democratic governor and staff?

WHEELER: No, I don't think so. I think the reason is there's a little bit of the Nixon to China thing in this. I think the reason is that Democrats are too much the captives of that constituency. The development interests, the private sector, would not have had the same access or influence. I think it's sort of ironic or paradoxical that we were able to do this with a Democratic administration in Washington that was a centrist administration. If Clinton had been a liberal environmental advocate, which he was not, or Babbitt had been less conciliatory, we could not have worked this together.

LAGE: And you may not have had the confidence of those developers either, to the extent that you did have it.

WHEELER: No, that's right. So we covered each other in a way. That is, he gave me some environmental cover, that is, by cooperating he indicated to me, or to his constituency or the environmentalists, "Look, this is okay, I'm a Democrat, I'm a conservationist, and we can work with these people." Conversely, as it occurred when I took John Turner to see the developers, it gave me credibility with the development community that we could bring a conservation perspective to these issues and win the support of the federal government, who they had seen as somewhat antipathetic.

LAGE: So this sounds like an area where you feel you had significant success.

WHEELER: Yes, and there are two components to it. One is the conceptual, that is, to take a look at these issues across the broadest conceivable—I used to call it the problem shed, that is, if you were looking at a problem, you had to deal with its fullest implications. You couldn't isolate a small part of it and then hope to solve the entirety—you had to embrace the people who were involved, you had to embrace the institutions and the issues sufficiently broad that when you had a solution, you had a complete solution.

But then you also had to find, as I called it, the institutional ecosystem, that is, how to find the policies, the agencies, the players that would enable you to do the former. It was that sort of combination of the two that worked.

LAGE: I like this language you developed. Was this your idea? Institutional ecology and problem shed.

WHEELER: Oh, sure, I was trying to explain it to people, particularly environmentalists who are accustomed to talking in those terms. And they got it, by and large. We didn't have universal support, but we had pretty good support from environmentalists and from media who like to see some innovation in addressing these issues.

LAGE: Did this plan, this NCCP idea occur anywhere else, out of San Diego or Orange County?

WHEELER: San Diego, Los Angeles, San Bernadino and Riverside.

LAGE: Oh, Riverside.

WHEELER: And Orange. So those five counties.

LAGE: So it mainly was the coastal—

WHEELER: But now there is this framework, thanks to the legislation. It's being used in Placer County at present, and in some other places. I'm sure that it will continue to proliferate because it is a common-sense solution to these issues. There's one very interesting story about, you asked about personalities—one of the earliest opponents to NCCP was a young doctor, Dan Silver, from Los Angeles, who took the prevailing environmental view that this was kind of a bait and switch technique. That is, you would facilitate development, permit development to occur that otherwise would not have occurred, and that the environmental trade-off was inadequate. He took it upon himself to learn more and more about it, talked with us, learned the rationale, talked to the developers, became so persuaded that this was a worthwhile undertaking, he quit

his medical practice and formed a group called Endangered Habitats League, which is today the leading proponent of multiple-species habitat conservation planning in California.

LAGE: That's interesting. They didn't object to this?—seems to me I read somewhere that they objected to NCCP.

WHEELER: They reserved the right to object from time to time and to the specifics to a given plan, but no, conceptually very supportive, and has supported Babbitt's "no surprises"—I've been in touch with him lately because of the litigation now over Babbitt's authority to have entered into these agreements which was initiated, came out of the NCCP experience. In one case, Spirit of the Sage, a local environmental organization, is opposing "no surprises" because they felt it was beyond Babbitt's authority to give landowners that assurance, that agreement, for fifty years.

LAGE: They must object to the deal, and this is how they're attacking it.

WHEELER: Well, that's right, to say, "You don't have the authority, you cannot enter into a contract which in effect excuses compliance, for fifty years, with the Endangered Species Act."

LAGE: As a lawyer, how do you see that?

WHEELER: I think it's a good point. We don't know yet how the court's going to decide, but you have to read into the act some discretion to reach the conclusion that Babbitt acted properly. They've also challenged the candidate species provisions and something else that's unrelated to NCCP but important, called safe harbor, which, if you agree to enter into a conservation program with the Fish and Wildlife Service, you're not held liable for the loss of species that might result if the plan doesn't succeed entirely. Except beneath a baseline. You agree on what the current condition is, and then if you

work to protect habitats, you're not held liable for the loss of that habitat or species incidental to what you're doing.

LAGE: So this could all be overturned.

WHEELER: It could be.

LAGE: The program overturned.

WHEELER: My guess is that if that happens, the result—these are federal lawsuits, the state's authority is pretty clear now in the codification that Sher has provided. If it happens that the federal law is found inadequate, then you'll see an enactment by the Congress. There's too much consensus around habitat conservation planning and the Babbitt innovations that they wouldn't be allowed to sort of linger unprotected, I think.

LAGE: Very interesting. Do you need a break?

WHEELER: I'm fine.

LAGE: Do you want to keep along these lines, biodiversity?

WHEELER: We can go, we can go for another forty-five minutes maybe, then take maybe an hour's break, is that okay? You can get lunch, and I've got a meeting that I could attend at 12:00.

LAGE: Good, that will be good timing, we can have a break and then we can finish off this afternoon.

WHEELER: Okay.

LAGE: Okay, so I think we've covered that quite well. But I would like to talk about that California memorandum on biological diversity. Did that grow out of Sierra Summit [1991]?

WHEELER: It did in a way.

LAGE: Sierra Summit seems like a very interesting little—

WHEELER: Sierra Summit was another of those things that we included in Resourceful California, and it was the direct result of a series of articles in the *Sacramento Bee* by Tom Knudsen, who was and is an environmental writer. He later received the Pulitzer Prize for that series, which said that the largest problem, the biggest problem in managing Sierra Nevada resources, the forest particularly, was this failure to communicate among the various agencies and the constituencies. It struck me as being exactly the same problem that I had seen at NCCP on habitats and on water, just failure to integrate. Very early, I guess it was in the fall of 1991—

LAGE: I think it was.

WHEELER: We convened a meeting at Donner, not at Donner, at Lake Tahoe.

LAGE: Fallen Leaf.

WHEELER: Fallen Leaf Lake, called the Sierra Summit, and we just brought all the people together, the agency people, the stakeholders, to discuss what Knudsen had addressed or raised as the most important issue, a failure to communicate and a failure to plan comprehensively.

LAGE: And these weren't just forestry issues.

WHEELER: No, no, but they were mostly forestry issues because that's what he had identified, and those were new issues to me. I didn't know a lot about the Sierra Nevada ecosystem, but it seemed a perfectly logical thing to do. It was very controversial, more so than I had anticipated. Again, because I was new, I probably made some missteps in not explaining my motives along the way. People were sure that there was some ulterior motive, that I was going to attempt to impose the state's authority and to effect solutions there.

LAGE: You mean just the summit itself was controversial?

WHEELER: Oh, yes, there were people lining the roads and holding placards and all of this.

LAGE: From which side?

WHEELER: It turned out they were mostly put there by the California timber interests.

LAGE: I see.

WHEELER: Who were convinced first of all that I was an environmentalist, activist zealot, and second that we would somehow attempt to impose the state's authority. Usually in the case of forestry through the CDF, the California Department of Forestry and Fire Protection and its timber harvest plans, which are the means by which the state regulates the timber harvest practice.

LAGE: On private land.

WHEELER: On private land. That authority is quite extensive, actually. I had no agenda at the time other than to get people to talk about these issues and to see maybe whether there were inadequacies in the regulatory or management framework that could be resolved. I was after all through CDF a manager of considerable forest lands myself, state-owned resources, and the state was confronting the same problem at Jackson State Forest, that a private timber landowner has, how to deal with the requirements of the Endangered Species Act, how to deal with the encroachment of populations on the edge, the fire problem was severe and getting worse, lots of issues that we discussed for a couple of days there, and I thought, with good result. But we were told—

LAGE: Now, who all came?

WHEELER: Initially sort of the activists, I would say the people who you would expect to be the most interested. I asked the agency people to come, both state and federal. There were, as I said, ample representation of the logging interests, the California Forestry Association.

LAGE: Not just on the highway, but inside. [laughs]

WHEELER: No, no, in the meeting itself. Yes, we were careful to invite them all, it wasn't as if they were being shut out.

LAGE: Was this after Richard Wilson had come aboard?

WHEELER: Yes.

LAGE: So he was involved.

WHEELER: Yes, he was a part of this. Then people from local government. That turned out to be our biggest mistake. We had not realized the extent to which local government was interested. Because of the confines of the facility at Fallen Leaf Lake, we just didn't have enough space for all the people who it turned out wanted to come. I didn't know how many wanted to come. We agreed at the meeting, just to demonstrate that we did really want to be as inclusive as we could, to have meetings around the state. Well, that turned out to be an opportunity for further mischief by the forestry advocates who I think probably put us in that position by wanting to expose us to local groups who were increasingly hostile. Out of the glare of the publicity and the spotlight, we went around to these various communities where they had organized quite substantial opposition.

LAGE: People, communities that might have been dependent on logging.

WHEELER: Yes, exactly, resource extraction, and who were convinced that this was all a threat to their livelihood. At that point this notion of biodiversity had entered the fray and there were buttons with "biodiversity" and the international slash through them, red slash signs, suggesting that biodiversity was a subversive idea and somehow I was trying to promote biodiversity. But it was never any more than, nor did it ever become more than, a means of identifying issues and trying to develop some consensus. It was less successful in the early going in that regard than were the NCCP or the water—because

there wasn't the kind of paralysis at that point, there wasn't the impetus for solutions, for problem solving.

LAGE: Was it then focusing on reform of forest practices? I was thinking about encroachment, development in the Sierra, air pollution.

WHEELER: Well, it didn't really have an agenda, and that may have been the problem. We had not been specific in saying what it was; I just felt that by talking to one another, we could find sort of common agendas and that we could work on those agendas, which was the message that I took from the Knudsen series. I didn't really go—I should have gone into the meeting maybe with a better understanding of what I wanted out of those meetings.

LAGE: Yes, I see.

WHEELER: Such that they could have been more focused. One of the thoughts that came out of the meeting and has just been realized here, some, what, thirteen, fourteen years later, is the establishment of Sierra Nevada Conservancy, a private conservation organization—private, nonprofit I would call it, that has as its domain the entirety of the Sierra Nevada, which will work on cooperation with landowners to protect important habitats and forested areas. But that took a long time to come, unfortunately. We did embark upon some attempt at reform of the forest practices act and timber harvest planning, but that wasn't a direct result of the Sierra Summit. In fact, it was in Resourceful California as a contribution that Richard Wilson had made to the process.

LAGE: Did the, I keep trying to get back to how this California memorandum on biological diversity—did that come up?

WHEELER: That was a different matter.

LAGE: And the bioregional council idea.

WHEELER: Right, that was—Ed Hasty came to me with that. Ed was then the state director of the Bureau of Land Management, the federal agency that had responsibility for the largest part of the public lands in California, some forty million acres all together. He told me this story afterwards, he didn't tell me initially, but he had first proposed it to me, he reminded me, when I was at the Sierra Club, namely that we ought to get the various land managers together around a common agenda, and for California the most important thing was to protect the diversity of its species. California has more endangered species and more threatened species than any state except Hawaii, owing to its natural climate and other phenomena, the extent of its land area and the rest. So he said we need better cooperation in achieving that objective. It was certainly the case in land management as it was in water management that you had this great disparity among state agencies, federal agencies, local agencies, none of whom were working together or even talking to one another. He said, "Why don't we just get everyone together and we'll sign a little agreement, very general in its terms, and we will meet regularly to coordinate our activities, or to plan, or just to talk about our activities." I said, "Well, it sounds like a good idea to me," at the time. He told me after, he said he had tried that on everyone who had my job since he first broached the idea fifteen years earlier when I was at the Sierra Club. He said no one had ever been foolish enough to agree to it. [laughs] But I readily agreed!

LAGE: You liked the idea.

WHEELER: This made good sense. Because again, it was consistent with my thinking about how to deal with these issues, you just had to get a buy-in from these various players. But that too was seen by some as a threatening development, you know. In fact, I used to tell audiences, it turns out the only thing people don't like, or like less than uncoordinated, dysfunctional, fractionated government, is coordinated, effective and

focused government. [laughs] That was the theory, that we were going to sign this agreement, and then we were all going to agree on an agenda. We were going to use our authority, state and federal and local, to achieve the objective.

LAGE: And was this word biodiversity kind of a—

WHEELER: It was, that was more controversial as I understood. It was common parlance here, again, thanks to E.O. Wilson and others, conservation biologists. We had begun to pick it up in NCCP planning, but the sequence was that the biodiversity council came ahead of NCCP, I guess, or at least the agreement, or at about the same time. In any event, I didn't think that was a problem, but others did take that as a sign that I'd gone off the deep end. Ed was the most conventional, easy-going, sort of even parochial bureaucrat. People liked him, he'd been at the job for a long time.

LAGE: He wasn't identified with Republican or Democrat; he was a civil servant.

WHEELER: No. He wasn't a radical, no. He wasn't a radical. Right, and he was getting support—he had been in multiple administrations. He was getting support from Babbitt.

LAGE: Now, Babbitt wasn't in when you first signed this.

WHEELER: No, but he came soon thereafter. So we signed it. Then the biggest, again, the mistake we made, and it was the same mistake that I made at the Sierra Summit, was not to include local governments. Again, because they were not land managers in the way that a state agency was or a federal agency. But they had land use responsibility or authority. We then opened it up to include local government, and they became among its most active participants.

LAGE: And you had bioregional councils.

WHEELER: Right. What we did was then establish—it was a council really. We never did succeed in getting local sub-councils, but the bioregional council met in different bioregions of the state, rotating around.

LAGE: Oh, I see.

WHEELER: It turned out the reason local government like the idea so much, and I said, “Gee, I don’t know that they’re going to want to participate,” both because they don’t have land use authority but also because they might find this whole thing rather threatening, they were more responsive to their local constituencies. They liked it because it gave them access to state and federal officials who they would never see ordinarily. They were sitting side by side with the Ed Hastys or the Wilsons or the park director, Don Murphy, and got immediate access to these people on issues of local concern, that they would not get or would have to go to Sacramento to get ordinarily. It worked out pretty well. It was not as much a planning—we never did have collaborative programs or projects, as much as it was a way to communicate. “Here’s what’s happening in our agency, what are you doing about this issue?” We always developed programs at those meetings which we held quarterly, moved them around the state so locals would have a chance to participate, we heard citizens, but we always had some particular topic of interest and each of the agencies would describe its activities.

LAGE: You chaired it, right?

WHEELER: Mm-hmm.

LAGE: And did you always take an active part?

WHEELER: Mm-hmm, I tried to.

LAGE: Was it partly an arm of the—was it partly a chance to explain the Wilson administration’s view? Was it a political thing also?

WHEELER: It was political in the sense that we could be shown to be interested in engaged on these issues, but it was also a matter of great personal interest to me. I just felt that for me the job was an extraordinary opportunity, and that some of the solutions, like those we’ve been talking about, were really quite easy. It was not rocket science that if you

could talk to people about these issues, you could both assuage their concerns that the state was somehow a threat, and, more important, enlist their support in finding solutions, that the state ought to be less an adversary, or the federal government, less an adversary than a convener, and if we could agree to a solution, we could then make use of our authority to implement that solution. But we would succeed only if we got buy-in from those people whose livelihoods or landowner interests were affected, rather than having to beat them over the heads with some regulatory machine.

LAGE: Was there any way that these meetings at all affected, say, the forest practices process?

WHEELER: Only in that every once in a while we would stumble upon a solution that could be implemented. [laughs] Not by writing the forest practice rules, but for instance the threat of certain diseases or invasive species became known to us as we walked around the state or tried to meet in different parts of the state. And I would come back and say, "Well, isn't there something we can do about the pitch pine canker, in the Monterey Peninsula?" Well, I had known that was a problem, but until we had our meeting down there and learned about the extent of it, and the threat that it represented to this species unique to that region, I did not understand that we had failed adequately to respond to it. We could then say to the state and to the federal forestry officials, "Why not pool our resources with the county and try to find a solution to pitch pine canker?" Otherwise maybe that collaboration wouldn't have occurred. Maybe it would have.

LAGE: This is something that really happened.

WHEELER: It did.

LAGE: Through the forestry department?

WHEELER: Right, it was because I had been exposed to it first hand, so had Richard Wilson, so had the regional forester for the Forest Service. We all then had a common

understanding that led us to a quicker response than would have been the case if each agency did its research and then worked its way back through a bureaucracy in Washington or Sacramento and then tried to find a solution.

LAGE: So your agencies' heads, like Richard Wilson, and did Kennedy take part in all this?

WHEELER: Right, were all participants there. As I say, that was a really helpful exercise for the local government. The county supervisors participated. We had representatives from each of the regions on the council, so their views were very much evident when we had a discussion about one of these issues. That was a very important perspective because it wasn't something we ordinarily heard in Sacramento, and which they certainly didn't hear in Washington—what did Mono County think about this issue?

LAGE: Interesting. I'm not sure where all these things relate, but you brought up the Quincy Library group.

WHEELER: Yes, we were not directly involved there, except that I learned of that effort on one of my visits, probably through a meeting of the biodiversity council. It was sort of symbolic of the problems that you have in integrating the local concern for economic livelihood with the responsibility for management of a public resource, and it was a good place to test my assumptions about how the dynamics of these not-for-profits worked, local versus national. The Plumas [National] Forest, we had been told about this, but because it was a federal—the county supervisors had come to see us early on and said, “We've got a real problem in that the forest, which is not being managed in a way that sustains the industry of our community upon which we are dependent.”

LAGE: This is the national forest region.

WHEELER: Right, right. I said, “This is a national forest, after all, and they have a mechanism for forest planning that is very, very rigid and centralized.” They said, “If we could work with the local forester,” the guy who was responsible on the ground for the Plumas

Forest, not through his regional office and then back up through the headquarters, “we’re convinced that on the model of the Sierra Summit or the NCCP or Cal Fed, we could sit down and work through a solution that reflected both our concerns for economic well-being and the legitimate interests of the Forest Service.” Then they took to having—I did send representatives just to monitor the discussions, but we did not, because it was not a state issue, we did not participate directly. They did start to meet at the library in Quincy and they tried to hammer out a solution that reflected that balance of interests.

LAGE: I’m going to stop you right there so I can turn the—

[Begin Minidisc 7]

LAGE: Okay, we’re on again, tape three.

WHEELER: Talking about the Quincy Library, there were citizens there, local environmentalists, including representatives of the Wilderness Society and the forest supervisor, who is a federal employee, and all met regularly at the library for the purpose of devising the forest plan for the Plumas National Forest. They came to an agreement that was threatened later by two opposing points of view. One, the federal government, which said, “Hey, the forest supervisor doesn’t have authority to enter into a contract with these local interests out and apart from the usual forest planning apparatus,” which requires approvals up through the hierarchy, environmental documentation under the National Environmental Policy Act, prescription as to the number of logs and board feet that could be achieved and the rest. The federal hierarchy was saying that, “We didn’t delegate sufficient authority for him to have done this, it’s not binding on us.” The other opposition came from the national environmental organizations, which said that although Louis Blumberg from the Wilderness Society was a participant, he’s not a national participant, he’s representing the local organization, and we don’t think that

the local economic interests should be so well-reflected in a plan to the detriment of the national public interest. It's an interesting and maybe valid point that the national forests are the property of us all, and that they are run from Washington for a reason, that is, to reflect some national consensus about how they should be managed, and not the prevailing view of Quincy.

LAGE: It's a big issue now, this sort of importance of local people deciding on their economy.

WHEELER: Well, that's right. In fact, it's a pivotal point of the Bush administration policies in the West particularly, that local perspectives be represented, state government, local government, individual citizens. Some would say to the exclusion of the national interests, given the disparity between, or the discrepancy between the view of the national and the local. But it was manifested there. It was dealt with in a couple of ways, never satisfactorily, completely. Most important, Feinstein became enough of a proponent of a plan that she had legislation enacted that gave the Forest Service authority to delegate, not require delegation, but would sanction it where appropriate to the local forester, so that he could sit down and people at the table could know that he was empowered to enter into an agreement if they could reach agreement. That dealt with the problem of the government, the federal government's chain of command. It did not deal with the problem of the environmental organization and, in effect, that has not been resolved. That's a question, again, of the perfect being the enemy of the good, as I said earlier. I think the national organization wanted to continue to maintain its assertion that the forests were being exploited, the economic interest of the community was being put above the environmental mandate of the Forest Service. The local representative of the Wilderness Society, having seen first hand the needs of the community and maybe having become captured by them, was much more conciliatory in his approach, much more willing to enter into those

agreements and to cooperate. So there was a real tension there that has not been resolved to this day. I mean, are these national organizations spokesmen for national consensus, or are they in fact useful in trying to find solutions that do reflect environmental interests, but at the local level.

LAGE: And what, on the other hand, what guarantee is there that the local solution doesn't become a captive of the particular strong economic interests there?

WHEELER: That's right.

LAGE: The strength of the timber industry—

WHEELER: That would be the concern, that by making it local you lose the national influence that has to be represented. I guess the answer to that would be that you'd rely on the Forest Service representative to uphold those national interests as a public servant, but maybe he too, or she, is a captive of the local circumstance. So it's a balance that has to be struck in that case.

LAGE: So the Quincy Library group didn't come out of any state initiative? It just happened.

WHEELER: No.

LAGE: This collaborative process.

WHEELER: Right, and we were watching it because it so much reflected what we were trying to do on issues in which we did have a role, but the state role there was simply to watch and help or encourage if we could.

LAGE: I'm just thinking that we have about twenty minutes, do you think we could deal with Headwaters [Forest]?

WHEELER: Sure. [laughs]

LAGE: That's such a big one, I just don't know how to even think about it.

WHEELER: It was always on our agenda, it was in Resourceful California, and it was there because the governor had promised during the campaign at the urging of John Amodio

to include it as an objective. In fact, it was one of the few things, as I recall, that Senator Feinstein and the governor agreed upon. She reminded me later, she said, “The reason we’re here talking together and trying to find a solution is that both the governor and I agree about the need to do this.”

LAGE: Now, give a little background. I know a lot of it happened before you came here. What was the concern?

WHEELER: Well, the dynamic was that old-growth redwood forests which are tremendously valuable economically were also seen as a very important environmental asset. In the case of the ownership of PALCO, the Pacific Lumber Company, it had been acquired not long before we got there by MAXXAM, a conglomerate company that had not, until then, been involved with forest assets at all. Its chairman, a gentleman named Charles Hurwitz, had seen PALCO as an under-performing asset, and in fact made it his stock in trade as a businessperson to find under-performing assets and to raise their profitability.

LAGE: Hostile takeover, they were called at the time.

WHEELER: Hostile takeover. Well, here was a sleepy company in Scotia, California, that had been run largely by the same company, Pacific Lumber, which is a family-owned operation, in a very paternalistic environment. It was a company town, the employees typically worked for life there, great loyalty to the company, some high degree of reciprocity by the company to these employees. He used the junk bond financing mechanism, that is, he floated these bonds to generate the capital sufficient to buy PALCO with the help of Michael Milkin, who was later indicted for his dealings, not in this transaction, but in similar situations, I guess. Then used the retirement funds of PALCO employees to pay back the bonds.

LAGE: I didn’t realize that aspect of it.

WHEELER: All of this is recounted in a really good book called *The Last Stand*, written by David Harris.

LAGE: Oh yes, David Harris.

WHEELER: Right, and it was interesting the Hurwitz came to PALCO, saw this asset and was not altogether disliked by PALCO employees because, although they had had a very good relationship with PALCO, they saw this guy was going to make a lot of money for the company, which he did proceed to do.

LAGE: What we left out of the story was that Pacific Lumber had also banked, so to speak, a lot of old-growth redwoods and had this long-standing agreement with Save-the-Redwoods League.

WHEELER: Right, that they would not cut those except on a very methodical and orderly basis. Well, these were among the under-performing assets identified by Hurwitz. They said, "We're going to cut these, because this is real money to us." There was a very strong market demand for it. He doubled the cut of the forest over all, which gave rise to a huge environmental hue and cry, and which created a lot of pressure on us to solve that problem, to acquire them, and to deal with at the same time the endangered species issues which had arisen, including the spotted owl which was then raging, not just in northwest California but throughout the Pacific coast, and the marble murrelet, two specific threatened species, whose fate was dependent upon preservation of old-growth habitat. So you had this convergence, sort of a perfect storm, if you will; the politics and the environmental politics of the PALCO takeover by Hurwitz and the feeling of betrayal on the part of environmentalists with regard to the old growth itself, and which people don't realize still is not an endangered species. Old-growth redwood have great iconic value, but their survival as a species is not threatened. They were, however, important to the protection of these related species' habitat. So we had

decided that we would attempt to acquire some portion of the old growth, recognizing that because they were not endangered, we did not have regulatory authority under the Endangered Species Act or state law, for that matter. And we couldn't really stop the harvest altogether, which the environmentalists seemed to want.

LAGE: The Board of Forestry couldn't stop it under their existing rules.

WHEELER: Could not, right. They could limit it, they could write rules, but, for instance, in California you can clear-cut on twenty-acre stands, that's a very constrained regulation, the most constrained in the country, but it's clear-cut nonetheless. That was going on, and in the meanwhile, Hurwitz was under scrutiny by the organization that was established to take into receivership the assets of these failed savings and loans—what was its name? Resolution Trust Corporation, RTC, because he, in his dealings with Milkin had owned many of these failed banks which he had bought and whose resources he had plundered, some would say. So he had liability to them, and we began to think about some way in which to sort of seek a solution to all these issues simultaneously, the problem of clear-cutting in California, which the environmentalists didn't appreciate, and which the governor had in effect said he would stop through acquisition—fulfillment of the governor's promise to acquire the Headwaters Forest or some part of it, the need to deal with the Endangered Species Act requirements which were statewide, not just relative to PALCO, but everywhere the murrelet and the spotted owl existed. And Hurwitz's economic problems which were beginning to have a bearing on his management of the resources, we could tell. With all of that as the backdrop, the governor sent me to Washington and said, "Tell Senator Feinstein we have got to find a solution, it has got to be another of these cases where we integrate state and federal authority; they have responsibility and we have responsibility, and I'd like for you to see what we can do about it. I'm prepared to

spend some state money but we can't do this by ourselves, it will be enormously expensive, we've got to have state and federal funding involved." We did then over a period of eighteen months, I guess, hammer out an agreement that had two major components. It too was not fully realized until just within a month or so after we left, in fact it happened just as Gray Davis was becoming governor. But interestingly, Babbitt was represented in negotiations convened by Feinstein by John Garamendi.

LAGE: Who was a Californian.

WHEELER: Who was a Californian working then as Babbitt's deputy. But we had at the table Hurwitz himself, some of his counsel, local counsel, Tommy [Thomas Hale Jr.] Boggs at Patton, Boggs and Blow, very prominent Washington attorney and lobbyist, Jared Cater who was counsel to PALCO in Ukiah, and the management of PALCO.

LAGE: Who? Campbell? Was that his name?

WHEELER: Yes, John Campbell. And Hurwitz.

LAGE: And yourself.

WHEELER: And myself. I then brought resources from the state as needed, people from our attorney general's office, the attorney general of the U.S. was represented, sometimes people from California Department of Forestry, sometimes Fish and Game, depending on the issues. Feinstein was instrumental in this. Using her authority as a senator, she convened these meetings and focused everybody on the need for a solution.

LAGE: And she did this herself?

WHEELER: Personally, it was really a remarkable performance by her. I became enormously respectful of her talents in doing this and her willingness to devote the energy required.

LAGE: It's not the typical senator's role.

WHEELER: No, no. And really, she is not in a position to effect the solution. She in the end put the paper before us and said, “Sign the paper,” she was a signatory only sort of ceremoniously because it was not hers to implement. It’s going to be the state’s money and the federal government’s money that solved the problem.

LAGE: Why was she so interested—

WHEELER: Because she had campaigned on this issue, and she had been, I think, asked by Hurwitz if she couldn’t find a way around the impasse over his inability to log further. I don’t know that for a fact, but clearly his influence was felt at that table. She saw him as a central player and insisted, in fact, that he be there personally, such that we could work this out. He, for his part, wanted what we call a global solution. Well, there were a couple of things that he wanted that she couldn’t deliver, none of us could deliver. One was to be absolved of his liability at the Resolution Trust Corp, and the FDIC, which had guaranteed those loans—

LAGE: That seems beyond the abilities of—

WHEELER: Right, none of us could do that. In fact, there were then legal proceedings, and she just declined to do it. She said, “Look, we can’t have this.” It occurred to me actually that it might not be a bad idea, we had heard a lot about debt for nature swaps, and we thought, “Well, here, why don’t we have him give us the redwoods,” in exchange for absolving him of some portion, some equivalent value of his liability to the government, whatever it was. I didn’t know what it was. The government refused to do that, in part because—it was interesting—because Interior would have gotten the wood, but the liability was owed to another agency and they couldn’t agree on how they would square that. We kept saying, “It’s all one federal government,” but they didn’t see it that way. Interior would have gotten this magnificent stand, and RTC would have had to have given up its claim for hundreds of millions of dollars. That

couldn't be done. Then Hurwitz said, "I want some realization of the fact that I'm going to sell these old-growth redwoods at a value below what they might be worth in the marketplace. I want to take a charitable contribution against my income tax for that, and I'd like a guarantee beforehand from the IRS that a charitable contribution would be recognized by the IRS." And we refused to do that. Feinstein refused even to ask the IRS to do that. Over the course of the long discussions, in which I'd sometimes have to come back at a moment's notice, sometimes without enough laundry to last the meeting, she would continue the meeting on, we'd have to stay overnight.

LAGE: Where were the meetings held?

WHEELER: They were in her office.

LAGE: Oh, here in Washington.

WHEELER: Mm-hmm. So those of us who were based in California, John Campbell, the other PALCO people, and state people, we all had to come back, back and forth. On occasion I flew with Feinstein back after one of those meetings. She'd say, "Well, I'm going home this weekend, do you want a trip to the airport?" I said, "Fine." I'd go with her, we'd fly on United or whatever to San Francisco and talk along the way about some of this. In any event, over the course of those long negotiations we struck an agreement that had two important parts. One was the outright acquisition of 7,500 acres of the Headwaters Forest, which had been identified—the "major cathedrals" as they were called, identified as the most significant of that old-growth habitat. The other equally important, but not often thought about in this context, is a habitat conservation plan covering all of the rest of his acreage. Not only was he being paid by the public to acquire 75,000 acres with the cost to be split between the state and the feds, but he was being required, as a condition of this transaction, to protect the balance of his acreage so that the Endangered Species Act requirements could be

realized through a habitat conservation plan over the 200,000 acres, which plan was intended to protect the habitat of the murrelet and the spotted owl.

LAGE: So you sound like you thought it was a good agreement. There was so much controversy about it, and also about his commitment to it.

WHEELER: I thought it was a good agreement. People thought that we had overpaid, and I suppose on a per-acre basis, one could make that claim, but I always factored into that equation the fact that we were getting the HCP as well for the monies that were spent, which we would not have gotten otherwise. I also thought the HCP was a good agreement. It was the most stringent habitat conservation plan until that time, probably since, ever written in California. So stringent, in fact, that he now claims he can't operate under it, he can't get his timber harvest plans, and he can't realize his economic value on those lands that could be cut—threatening to sue under some breach of contract theory.

LAGE: And yet he did sign onto this.

WHEELER: He signed on to them, taking at face value that it would in the end work to his advantage. What he hadn't calculated, I think, and none of us had thought about too much, was that it was an umbrella agreement, the HCP. He still had to secure approval for every cut, every harvest, every timber harvest plan.

LAGE: Through the laws of that state?

WHEELER: Correct, correct, and that's where the constraints continue to exist and where he has the greatest current frustration, I'm told.

LAGE: How did you come to view him? Just from reading about it and going through the redwood summer business, he seems like an evil—

WHEELER: Well, that's right, but I couldn't come away from that experience thinking he was an evil person. I think he was very astute—and I had read all the *Last Stand* stuff. I thought that he was a very astute businessman, he was a very tough negotiator. He was

demanding throughout that his point of view be respected. One very interesting episode which probably ought not to be disclosed until some time later, but in the course of these discussions he was represented by Tommy Boggs, who was known to be a very talented but very expensive Washington lawyer. For all of these hours and hours of meetings, the senator would order in sandwiches, wouldn't even let us break for lunch, we'd sit there, we'd have to eat lunch at the table—and it was a negotiating strategy in a way. Boggs would sit there, but he wouldn't say a word, he would never really contribute to the conversation. Time and again, I kept saying, “What is this guy doing here? What is his value added in these negotiations?” It turns out he was very productive, of course, and he was being very well-paid. One night I returned to the hotel room and got a call from Senator Feinstein. We had come to know each other well, but not well enough that I would get a call from her after hours, as it were, and she said, “Doug, what do you think about Boggs? What is his role in this? Is he being paid on a contingency fee?” I said, “You mean that some portion of whatever it is we agree to pay will go to Boggs?” She said, “That's what I'm hearing.” She said, “Have you heard that?” I said, “No, I haven't heard that.” I said, “It's not uncommon in representation, I'm told, in Washington, on large commercial transactions, but those rarely involve the federal government.” She said, “I can tell you if the word got out that he was there using his influence for whatever purpose and he was being paid on a contingency fee, it would not reflect well on our transaction,” and, by implication, on Senator Feinstein's role in it. I said, “I don't know what to tell you, I have no way of finding that out, but perhaps you could ask your husband, Dick Blum,” who was a very influential businessperson and would know about such things and perhaps he could provide advice. She said, “Well, that's a good idea.” That's the last she said of it. The next day as we reconvened, she sits across the table, takes a look at Boggs, who is

in his accustomed place, and takes a look at Hurwitz. She says, "Charles, there's something I've got to ask you before we get started today." He said, "What's that?" She said, "Could you tell me if Mr. Boggs here is representing you on a contingency fee?" Without pause, he looked her in the eye and said, "With all respect, Senator, that's none of your business." So that's characteristic of the Hurwitz approach. We never did find out. When it became public that that was a possibility, how that happened I'm not sure, they denied it, and it may be that it was only a suspicion on our part. But it was a turning point in the negotiations, where the senator confronted Hurwitz quite directly about it.

LAGE: And what would have been the implication of that? You say Boggs didn't take much role which—

WHEELER: There were two questions, what was Boggs doing to earn anything, and what was Boggs doing to earn what would have been a huge number, given that—she said, "How much could it be?" when she and I talked. I said, "Well, whatever it is, Senator, any percentage of \$400 million is a lot of money." I said, "If it's 1 percent it's going to be a big fee." Her concern was that if it became publicly known that public monies were being paid to this fellow and benefiting Hurwitz, that it would have caused there to be a negative reaction to the transaction, I think.

LAGE: Just the idea—I'm showing my own bias here, but the idea of so much money going to this person who only, whose only productive role was to see that there were assets in Pacific Lumber—

WHEELER: That's it.

LAGE: And then he gets—

WHEELER: So he got more than \$400 million between the state and the federal government split, the state paid the major share of that.

LAGE: It's sort of like he took advantage of the public—

WHEELER: Yes, well, people called it “greenmail.” He said, “All right, you don't like the fact,” and he said this in the meetings, he said, “if you don't like the fact that I'm cutting the trees, it's my right to cut the trees, the law permits me to cut the trees, but you're saying there's some higher social or public benefit not to cut the trees, you'll have to pay me not to cut the trees.” And we did!

LAGE: And we did! [laughs] Now, was that controversial within the state?

WHEELER: No, it was not.

LAGE: How did Governor Wilson—he must have also been interested in having Hurwitz be happy with it.

WHEELER: I never saw any direct—I used to come back and I said, “Look at this, I'm going to have to sign this agreement,” as it began to take shape, “and it's going to cost the state a lot of money.” I need to know that I am authorized to do this. So I would call the governor or call his lieutenants to say, “Am I out there on a limb? What am I going to be authorized to do?” I always got approval. I kept saying, as the number changed, I got incremental approval, and the habitat conservation plan component as well. That's where, in the end, we had to confront Sher because he had great questions about the value.

LAGE: The legislature must have to agree to it.

WHEELER: They did, because they had to appropriate the funds. He said, in effect, “Well, you can't go back there and commit the legislature to spend this money.” I said, “Of course it's subject to the legislature's approval,” just as it would be subject to the congressional approval, the payment of federal funds. In the end, that decision was made, the ultimate decision, the deal was finally signed by Gray Davis, although we

had agreed in principle to it, and the funds were provided by the legislature after we left office.

LAGE: Oh, they were, they weren't provided—

WHEELER: And by the Congress.

LAGE: The legislative committee, Sher and Migden?

WHEELER: No, Carole Migden, Migden. So they began, there was a little bit of what I would call a political jealousy in that we were getting this done, we were working with a Democrat in Washington. It was a little bit like working with Babbitt and doing things that Democrats would ordinarily be doing. It was going to redound to the benefit of Wilson that we had saved the forest as he had promised to do. So then they kind of injected themselves, "You're paying too much, or this is a secret deal, you're going back to Washington, you're agreeing to do things that none of us knows about." He started to have a series of hearings, status hearings. I would happily go talk to him about where we were, and what the negotiations were going to lead to and what the price was and the basis for the appraisal. We had appraisals on this property, we didn't just pick a number out of the air. In fact, the appraisal that we relied upon, which was a federal appraisal, was less than the appraisal than Hurwitz had tabled, obviously.

LAGE: Did you feel as if—were you pushed along partly by Redwood Summer and all the activism?

WHEELER: No, no. No, what pushed me most was the fact that we were going to get the HCP. I had come to understand how important they were. This was 200,000 acres, it was a huge swath of northern California that would be covered, and by the governor's commitment to acquire the forest, to protect the old growth.

LAGE: Do you think it was worth that money in the long run, thinking of what else could be done with that amount of money?

WHEELER: You always have to be opportunistic; there weren't any such opportunities then.

Looking back on it, there's no question now, yes, I think the answer is yes.

LAGE: Okay, that was a controversial one, for sure. Did you continue to be active after Gray

Davis came in?

WHEELER: No, no.

LAGE: Did you have a role in that spring?

WHEELER: None at all.

LAGE: Not in the winter, because he didn't get signed until March or April.

WHEELER: That's right, but the outline of the deal was pretty much in place as we left. I've got a—

LAGE: You've got to go.

WHEELER: No, well, that too, but I was going to show you a memento of that time—they did invite me back to the dinner, back here in which this was celebrated. [interviewee gets up and moves about] Senator Feinstein and other parties signed this little board for all of us who participated.

LAGE: That's so nice! She took such an interest.

WHEELER: It was unbelievable. So these were all the players, so then we each signed once.

LAGE: Yes, yes. Hold that up here. [laughs]

WHEELER: There's the *Sacramento Bee* story. The date was March 2, and here's a chronology.

LAGE: So you got to know Senator Feinstein.

WHEELER: I did.

LAGE: And did you have any conversations that were particularly enlightening?

WHEELER: About this?

LAGE: About why she got so involved in this?

WHEELER: No, but I came to appreciate, obviously, and to understand her negotiating style, which has been useful since in my capacity as a private attorney I have represented the Cargill Corporation in the sale of the salt ponds in San Francisco Bay, and she was very much involved and very much the same way in that negotiation, bring the parties to the table, let's hammer this out, and did it successfully.

LAGE: Interesting work.

WHEELER: But I told the client then, I said, "In for a dime, in for a dollar. If you want to deal with Senator Feinstein, you're going to be prepared to deal with her on her terms," which is what happened here as well. Okay, should we take a lunch break?

LAGE: Yes, I think that would be a good idea. [pause] [when the tape resumes there is a loud mechanical whining which makes it nearly impossible to hear Ann Lage.]

LAGE: Okay, now we're recording again and we're back from lunch. We were talking about Headwaters. We didn't talk too much about forest practices.

WHEELER: A matter—I did, but because Rich Wilson was so much engaged in that, I didn't pay as much attention to that as other areas. We had both the department and the Board of Forestry with responsibility in those areas.

LAGE: First of all, there was some legislation.

WHEELER: There was, there is continual attempt to reform those practices. California has what is probably the most rigorous regulatory regime for forest practices in any state. And yet there's constant pressure from environmentalists and others to change or to improve upon those as circumstances change and push-back from the industry, as you might expect, who feel that they are over-regulated. There's kind of an ebb and flow of that. I can't remember anything that was particularly remarkable in the course of those discussions, however.

LAGE: Well, just to remind you, and if you weren't that involved we can just skip over it.

First of all, you came in on the heels of the initiatives which were forest—

WHEELER: Right, exactly, right. The so-called "Big Green" which was on that ballot, the same ballot as the gubernatorial race.

LAGE: Where it was defeated.

WHEELER: Right, the governor opposed it.

LAGE: They were defeated, and then it looks like there was Sierra Accord, which the environmentalists put together to reform forest practices that Wilson pocket-vetoed. Then there was the Grand Accord—I love these names.

WHEELER: [laughs] That's right.

LAGE: That seemed to reach a lot of opposition from timber companies.

WHEELER: Efforts always to sort of strike that balance growing out of the defeat of the Big Green initiative, and looking to resurrect some parts of that. My focus was, and we haven't talked much about forest fire, but the devastating fires of 1992 led us to the conclusion that we had to be more aggressive with regard to that issue, both in terms of forest management, forest health, but also in terms of our response capability, which gave rise to a whole question about the mission of the Department of Forestry and Fire Protection, which is, as you would expect from its name, divided into two principal functions. Come to find out that the Department of Forestry and Fire Protection is the first responder in emergency situations in most such instances around the state, whether or not they are related to the forest. There was a question about how best to allocate expenses, how to share that with counties, where appropriate. Typically, CDF is they're acting in lieu of a local emergency response capability. The other sort of question that has to do with state-county relationships, and more on the management side, is how best to deal with the question of development at the edge of forests, and

why the state Department of Forestry and Fire protection should be responsible for the cost of fighting fires in those places where development could have arguably been prevented by local government had they exercised their authority.

LAGE: The high risk [development].

WHEELER: That's right. There's no easy solution there, obviously, given the state's and the counties' fiscal problems. It is, I think, increasingly going to be a matter in which CDF becomes involved. That is, if they are going to be held accountable for or responsible for fighting fires in these places, then they're going to want to have something to say about how zoning permits development or does not.

LAGE: So this would argue for a stronger state role in local counties.

WHEELER: It would, it would, as do most of these issues, since you need to have a statewide perspective.

LAGE: What's your take on the Board of Forestry? That's such an interesting sort of governmental—they seem to have quite a bit of power.

WHEELER: They do. They are vested by a statute with responsibility for writing the rules which govern forest practice, and CDF is theoretically responsible for its implementation. It is a throwback to the commission form in many places initiated by Jerry Brown during his administration.

LAGE: It was established way back before that, I believe.

WHEELER: I'm not sure, the idea of boards and commissions, but several of those were established during his tenure.

LAGE: Well, the Board of Forestry is an older one.

WHEELER: But it creates some problems both because of the division of labor that occurs between the board and the department, and it happens not just there but with water, it happens at Parks, it happens at Fish and Game, throughout government, in fact. It's one reason

that the government review process initiated by Schwarzenegger has recommended the elimination of all those boards and commissions and to provide a system that is sort of unified like the federal system, in which the agency is itself responsible for those functions.

LAGE: Is the board chosen by—I know the governor chooses many of them.

WHEELER: Right, but they are categorical appointments. There's representation of industry, a representative of the environmentalists, representative of the citizens at large, et cetera. Some have to be registered foresters, et cetera. So they are theoretically balanced in their approach, but there is always sort of competition for influence and it's thought that one governor or another will be more favorable to industry or not. My experience was that it was not as much involved with large questions as with much more minute issues relative to the timber harvest planning, and forestry practice area, but not like the one we've discussed with respect to land use responsibility of local government as opposed to the state, or the function of CDF as a forest fire or a forest manager agency, bigger questions.

LAGE: And being able to say it wanted a timber harvest to occur—

WHEELER: It was significant. And it's interesting that, for whatever reason, and it may have to do with perceived weakness on the part of CDF or the Board of Forestry, the legislature has recently given additional authorities in this area to the regional water quality control boards, who now have sign-off authority with respect to timber harvest plans that had heretofore been only the province of the board and the department.

LAGE: So you think that might be a recognition that the Board of Forestry system doesn't work so well.

WHEELER: Right, not—at least sensitive to the water quality implications of what's happening.

LAGE: Now, Richard Wilson had the opinion that the Pete Wilson appointees to that were very political, rather than caring about the forest they were more caring about the governor's political interests.

WHEELER: Well, I think it's hard not to be political if you're a governor's appointee. You're there, presumably, because the governor thinks you will be supportive of his agenda. I don't have any way to judge. They were each of them selected to fit these legislative or statutory criteria, so presumably they met that requirement for balance.

LAGE: Did they interfere, or connect at all with the Headwaters things?

WHEELER: No.

LAGE: I know at various times there would be approval of a timber harvest plan that was controversial there—

WHEELER: No, not at all—as I said, they were not typically involved in these broader issues of policy or resource management. And they would interfere only to the extent that Hurwitz now complains, of course, that he can't get his THPs approved, notwithstanding having entered into the Headwaters agreement. That's an exercise of their ongoing responsibility for THPs, and that's not the board as much as it is the department.

LAGE: But overall, you don't perceive that the sort of citizens' boards are good part of government?

WHEELER: No, because I don't know that they bring value added particularly. And they vary in function. The Fish and Game Commission does have comparable responsibility for establishing policy, but usually it was the policy that was advanced to them by the department, which is in turn a reflection of the governor's interests. They are appointed by the governor, so you would expect them to be somewhat responsive. I mean, I don't see that as a separate or independent locus of authority or power as

maybe was intended originally. Parks board as well, same thing. The one place where you might find that is where there is not a very close correlation to the function of the commission and the agency. That is, prior to the establishment of Cal/EPA the water board was the only agency responsible for water, the air board the only agency responsible for air. We now have a counterpart authority in Cal/EPA, an executive branch authority. Even though that has not been statutorily established yet, the same opportunity will arise now for some divergence between the agency and the commission that exists in those other better-established or longer-established commissions.

LAGE: Now, the Coastal Commission, this will move us to a new topic.

WHEELER: Yes.

LAGE: The Coastal Commission is a different ball of wax.

WHEELER: Right, in the same sense that it was more or less independent of any counterpart executive agency. It had all authority, and as you know, it had so much authority, so diffuse in its responsibility that its constitutional makeup has been challenged. That's a matter in the courts now because its appointees were split between the legislature, the assembly, the senate, and the governor, each having four appointments, and it's fraught with controversy because it deals with matters of such high sensitivity, again, to environmentalists.

LAGE: It's a land planning agency?

WHEELER: It is, within the coastal zone, and it's the agency principally responsible for implementation of the state's coastal plan, which is in turn a function of the Coastal Zone Management Act, a federal act that we mentioned before.

LAGE: Now, when Wilson came into office, I guess the Coastal Commission had been under attack under Deukmejian, and Wilson came in with a lot of support for the Coastal Commission.

WHEELER: We felt it was important because of our need to be proactive with regard to these issues in the same way that we wanted to be proactive with regard to habitat or with respect to water in the Delta, or the Sierra Nevada. I became persuaded that it was a bit myopic.

LAGE: The commission?

WHEELER: Right, that it was not fully concerned with the broader issues, but had become really a local zoning board in lots of ways. In fact, you probably know that in communities that do not have local coastal plans, which each is required to prepare under the act which established the commission—Wilson was a sponsor of Proposition 20 that enacted the commission and put in place the planning apparatus. If you don't have a local coastal plan, then the Coastal Commission serves as the zoning board for these communities. Well, after sitting in—I'm a member, a statutory or ex-officio member—after sitting at its meetings, I became persuaded that an awful lot of their time was being spent in that capacity. Virtually, not all, but three quarters, in that capacity, and not enough was being spent on the major questions, what do we do about coastal land use, how do we prevent encroachment of development, what is being done about the interface between the coast and oceans. In fact, we're just now beginning to talk about that, the National Oceans Commission has just released a report, and the state has responded to that. In fact, I've been asked to serve on a state panel with respect to prescribing a system of marine protected areas. Those are the kinds of big, broad-gauge issues that the commission, which meets only once a month, should have been expected to address, I think.

LAGE: They're given their charge by the legislation.

WHEELER: Right, but they have responsibility for local governments adopting these local coastal plans, and more than half of California's local governments don't have them, in part because the commission wouldn't provide help in developing those plans. The commission says it's because they didn't have enough money to do so. Meanwhile, it continued to hear the appeals or the initial applications of coastal landowners in very heated disputes between Malibu landowners about access to the beach, party walls and the rest, not the kind of thing that the state commission, I thought, should be doing. It was the case, still is the case, that half the coast is therefore basically unprotected by local ordinance. You don't have these LCPs. I can't think of the numbers, but I think it was roughly 50 percent.

LAGE: Now, you have the commission and you have the commission staff. I know that part way through your term you had a run-in with Peter Douglas.

WHEELER: Yes, I became concerned that Peter was, for all the good work that he had done, number one, getting stale in that job, he'd been in that job for fifteen years or so. At some point during our administration, we gained, or that is, the governor and his friends and allies, his allies in the legislature, gained voting control of the commission, that is, had eight votes of the twelve.

LAGE: Right, he kept replacing commissioners as their terms expired.

WHEELER: Right, which every governor did. The difference is that the legislature changed hands enough, briefly, for a small period—I can't remember whether it was the senate or the assembly—in which those four became Republican votes.

LAGE: And how did they change? Were you aware enough to see what kind of people were—

WHEELER: Yes, again, there were statutory requirements, you had to meet the requirements of eligibility for a citizen, a person with specific expertise in one or another areas. But it

was highly political. I think both Democrats and Republicans were appointed because of their connection to or loyalty to the appointing authority. In fact, that's part of the problem, as I said, there's appointment by these people but no accountability back to any one group, and that's what the courts have found is the legal flaw or failing in the makeup of the commission. So I was in meetings where Willie Brown, then very influential, would simply decide he didn't like the vote or what he assumed would be the vote of a particular member, call that member on the phone and say that they were relieved. You served at the pleasure of the convening authority, and then that person would leave and a new person would materialize by pre-arrangement, but we never knew that in advance. John Burton did the same thing. [laughs] Not surprisingly.

LAGE: And Governor Wilson did the same thing.

WHEELER: Of course not. Never quite so abruptly, anyhow. [laughs] So we did make a decision, those of us who were concerned about the way things were going there, that it would be a good idea for there to be a new executive director who would be more responsive to the new administration.

LAGE: Okay, so the commission changed but the executive director stayed the same.

WHEELER: Correct.

LAGE: Were there—this seems like you're saying the commission should be responsive to the administration in power.

WHEELER: Well, it should be accountable to someone. Currently, because of this three-way split in the appointing authority, it is not accountable to anybody.

LAGE: So what was the incident appear to be? Maybe there were other things bringing it to a head with this wetlands issue in Huntington Beach. Bolsa Chica?

WHEELER: Oh, Bolsa Chica.

LAGE: Was that something worth discussing?

WHEELER: We had with the federal government arranged for a plan by which development on the coast—Bolsa Chica is kind of a tiered arrangement—I'm trying now to recall all of this—in which there is sort of wetland at the sea level and then a palisades and above. We had concluded that there would be or should be a plan for restoration of the wetlands and fairly strict limits on development within the coastal plain, but did not believe there was need to restrict development on the palisades area. It was Peter's view that there shouldn't be development in either place. My belief was, first of all, that we had in good faith negotiated this matter with the federal government, with the environmentalists, with the developer, and we couldn't get his approval of that agreement which the Coastal Commission was required to approve. And so he wanted to make some provision for the palisades area as well, which would have had to have been acquired since you couldn't prohibit absolutely development there. It was just a disagreement about what constituted the best solution, but it was more than that. It wasn't a single episode, it was, as I said earlier, the view that he had become ingrained in his approach, that is, these broader issues were being ignored as he became preoccupied with the day-to-day minutiae, what I would describe as the minutiae of their agendas. I had the sense that he was not giving the commission itself enough opportunity to participate, that it was a very much staff-driven process.

LAGE: I see, because the commission is the one who votes on these things.

WHEELER: That's right. But they vote only in response to recommendations of the staff. It was clear that more than you would expect, his views, his recommendations were being adhered to. So when we had a chance finally to change that, we attempted to do so.

LAGE: And you attempted to get and remove him, and there was a huge outcry.

WHEELER: There was a huge outcry, and we fell short of having a sufficient number of votes to do that by one. So he wasn't removed. There was a lot of support for him. People would

want to characterize that as indicative of his record of support for ocean protection and coastal protection, and ours as opposition to that. As you pointed out, the governor's record was pretty clear. It wasn't that at all, it was a question, frankly, of whether he was doing enough from our perspective, to address the right issues, or the issues that really were deserving of their attention.

LAGE: Were those issues in the legislation? I mean, he was sort of obliged to carry out the legislation.

WHEELER: Well, he, the commission and the staff by implication had a far broader mandate than he was exercising.

LAGE: So you would have had him do more creative planning.

WHEELER: Right. Well, I would have had him, at the very least, after fifteen or twenty years, have local coastal plans in place so that he wouldn't have to spend so much time listening to these coastal, these coastal zoning decisions, permit decisions that came from jurisdictions that didn't adopt local coastal plans.

LAGE: It's interesting that you really had no authority over him. He was within your agency.

WHEELER: Right, for administrative purposes. It's the same as the Energy Commission, it operated independently, was within the agency for purposes of the organization chart, but its members were appointed, in that case at least they were all appointed by the governor, so you had some accountability back to the governor. But as a practical matter there was nothing we could do at the commission except with the assistance of the commissioners themselves.

LAGE: Did you ever had a talk with Peter Douglas?

WHEELER: Oh, yes, I'd known him for years. We attempted to ask him whether he wouldn't shift the focus somewhat, and he would say, well, there wasn't enough money to do all of the planning or to provide technical assistance. One of the focuses or the functions of

the commission in helping local government to adopt local coastal planning was to provide technical assistance. We said, “Well, why aren’t you doing that? Why after all this time have we not, do we have all these counties still or cities without local coastal plans?” He said, “Well, we don’t have enough money.” I said, “Well, why don’t we get some money?” We got the governor to put some money in his budget, to increase the budget for the coastal staff to do just that, but it wasn’t—he didn’t want to do it.

LAGE: He wouldn’t move.

WHEELER: No. It wasn’t his thing. So we just had a disagreement about what the commission should be doing.

LAGE: It looked like right after that incident, Governor Wilson came up with a big coastal initiative. Was that something you helped to build?

WHEELER: Yes, we did want to switch the attention to these broader issues that we thought were deserving of attention. In fact, to take what I would describe as the ecosystem approach and make it applicable on the coast, and we did have a big meeting in southern California for purposes of unveiling a proposal that included several of those elements. There are a couple of people on the agency staff who were then very active and remain so in developing that program. Brian Baird and Melissa Miller Hensen are still at the agency, and have recently helped to develop the state’s response to this National Ocean Commission.

LAGE: And it had to do with water pollution and—

WHEELER: All those things. One of the biggest problems with ocean pollution is on-shore pollution that occurs from sources beyond the ocean, obviously, but does have necessarily an adverse impact. Land use on the coast has adverse impact on ocean resources. There is need for protection of areas where over-fishing had occurred, or where there were other sensitive environmental values. We needed really to get our

handles around that in the same way that we had tried to get our hands around some of those issues like endangered species habitat or forests.

LAGE: How did you—here you are, resources secretary, you have a thousand things—

WHEELER: Right, how do you get—well, that too was part of Resourceful California. The early effort was a complete survey of the areas as you suggest within our jurisdiction and those which we could address, and some are more easily addressed or more readily addressed than others, depending on the skills of the people at the agency or the availability of the funding. We had—in almost every instance where we were successful or had—

LAGE: I think we're running out of tape.

WHEELER: Okay. Maybe that's what it means—when you don't get a sound but you get a light signal.

[Begin Minidisc 8]

WHEELER: Okay, I was about to say that in areas where we had program emphasis, there is always sort of identifiable, the participation of a single individual or a group who were particularly interested or had particular expertise. The agency as an agency is a relatively small entity, and our staff was limited.

LAGE: You were about forty-five towards the end?

WHEELER: Right. So you rely on those folks, but you can be most effective if you take advantage of the resources in the constituent departments and sort of build programs in which their capacity and their expertise could be contributed, as well. But every one of those large initiatives could be identified with a person on our staff who was kind of the key man or woman, as Brian and Melissa were with respect to the oceans.

LAGE: Did you bring them there for that purpose?

WHEELER: More or less, although not always. A good example is Will Shafroff, who came to work for us after completing his master's in public administration at the Kennedy School. Together with Craig Denisoff he had an interest in the whole wetlands area. This was at a time when President Bush the first had adopted as a national goal no net loss of wetlands. Well, we wanted to know whether in fact California could approach that goal, whether our performance had been equal to or not as good as the performance of other states and the federal government all together. So I would assign a particular task like let's get the wetlands data out there, let's find out where we are, are we losing it, or are we protecting it? And then what should we do if that's not the case, not making our goals. Similarly, I used the skills and resources of Michael Mantell pretty much on the NCCP. Dennis Machida, who happened not to be a member of our staff but was running the Tahoe Conservancy, became kind of the point person on the Sierra Summit, along with Jon Welner, who was a member of our staff. We always tried to find one or two people who would take ownership for a particular project or initiative, and then who would be responsible for coordinating the efforts and bringing to bear the interests of the affected agency.

LAGE: So does the Resources Agency system work, with these departments that aren't really responsible to you?

WHEELER: Well, yes, although you succeed not because of your influence or authority but because as I explained to the staff, we're only going to be as successful as we can engender the cooperation of these departments, and the way we do that is to demonstrate that we can bring something to the table as well, and that usually is a connection to the governor, or to the governor's staff. If a department head felt that I was going to help advance his or her agenda by acting as a conduit between the department and the governor, or by communicating the governor's desires to the

department, then it would be useful for them to work with me or to follow direction from the Resources Agency. And it worked, by and large, I would say. It's a bit different from the federal system in which the people who are department heads are appointees of the secretary, not directly of the governor. So those folks—

LAGE: So they're really responsible to the secretary.

WHEELER: Right.

LAGE: You seem to have a more difficult role.

WHEELER: Well, it is a little more difficult because those people, all of them or most of them owe their appointment to the governor directly. It was helped by the fact that the governor didn't want to deal with each of those people, however, and it soon became clear to them that the better avenue to the governor was usually through the secretary.

LAGE: Tell me again about John Amodio. He wasn't on your staff.

WHEELER: Yes, he was.

LAGE: Oh, he was on your staff.

WHEELER: He wasn't originally. He was first on the staff of the Office of Planning and Research. He was number two there to Rich [Richard P.] Sybert, who was the director of that office. We haven't talked at all about it, but that office had a very substantial growth management initiative.

LAGE: That's one thing I wanted you to talk about, you seemed to be involved with it.

WHEELER: I was very interested in that subject, because I came from my experience with these other initiatives with the realization that we needed some mechanism for statewide management of land use, and one of the problems I had experienced was the direct consequence of the state's failure to get a handle on that question. So very early on I asked the governor if he would want for this to be kind of a characteristic of his administration, that we would tackle these problems in this comprehensive way, and

because OPR had traditionally been the planning apparatus of state government. He gave that assignment to Sybert, but put several of us on a panel or a board that worked with Sybert to develop a growth management initiative. It was really the precursor to Smart Growth, I would say. But, and it was my largest single disappointment in those years—

LAGE: Okay, then tell me more, then. [laughs]

WHEELER: Is that it didn't ever get political traction. In thinking about why that is, I would have to attribute it to two things: the lack of a kind of discernible problem or issue and the lack of a political constituency. There was no one clamoring at the door for growth management as there were people clamoring for breaking the impasse over the Endangered Species Act or solving California's water problems or improving forest management.

LAGE: Even though it was sort of at the root.

WHEELER: It really is at the root of all of that, and it was never politically popular because it was so diffuse as a concept. There were people who were interested in some parts of it, transportation or housing or the environment, water, but never the whole issue. It did transcend the responsibilities of any single agency, so no agency secretary took ownership of it. Sybert could have, had he been more interested himself, but I think he was not as interested in it as an issue as some of the others of us were. So it really never did advance to the top of the governor's agenda.

LAGE: Now, there was a Bank of America study or something that sounded almost like it came out of the Sierra Club.

WHEELER: Well, I know.

LAGE: Smart Growth.

WHEELER: I know, and we were really excited about that because it tended to validate the notion that there was an economic necessity or an economic rationale for good planning, and that the state would benefit from a growth management strategy. They kind of listed several individual criteria that might be used in developing a state growth management plan, all of which seemed eminently reasonable to me. That was a very controversial report, became very controversial, both because of its source and because we had contributed some funding to it. It was titled “Beyond Sprawl.”

LAGE: Who found it controversial?

WHEELER: The business community, I think mostly, who saw it as a threat or a precursor to state regulation of land use, which they objected to.

LAGE: You did some ag preservation work, was that during your—

WHEELER: I did, that was a little bit—that happens to be an interest of mine, as we know from the American Farmland Trust, and continues to this day to be. It’s a place in which the state government’s efforts are a bit diffuse. Theoretically, it should be the work of the Department of Food and Agriculture, and yet our Department of Conservation has responsibility for the Williamson Act, and for a program that was initiated while we were there to acquire development rights on farmland, the purchase of development rights program.

LAGE: Was that something that you initiated?

WHEELER: Yes, and I felt it was a successful strategy that would enable willing sellers to make a commitment to farm and ranch land and its protection. The public would pay for that increment of value, representing the difference between farm value and development value. But we never had enough money to really make an impact. That has improved some since then, and there’s now a lot of federal money involved, which the state is

required to match, but together state and federal funding is probably more adequate than it was when we were there.

LAGE: So this is for conservation easements?

WHEELER: Correct, or development rights, they are essentially the same thing. It's a legal means by which to restrict future use of the real estate.

LAGE: Now, are those administered through the private land trust like MALT [Marin Agricultural Land Trust] or through the state?

WHEELER: They could be. MALT is a good example, and there are others in the state, but they are not necessarily—they have to raise their own funds.

LAGE: Oh, they don't get the state money.

WHEELER: No, so the state was dealing with these projects one farm or ranch at a time.

LAGE: And the Department of Conservation—

WHEELER: Was the agency that had that responsibility. That became John Amodio's responsibility, ultimately.

LAGE: Oh, it did?

WHEELER: Yes.

LAGE: It has been—the question has been raised that when the private groups do take the lead on this, what is the public's guarantee that those agencies, those private groups will be there for the long haul? Overseeing the conservation?

WHEELER: The responsibility of the easement donee, the private group or the federal agency or the state agency, the U.S. Department of Agriculture now takes some of those easements, is to enforce the easement in perpetuity. There is no absolute assurance that the institution will survive to serve that purpose, but typically there is an initial donee in kind of a backstop, an organization that will step in to enforce in the event that the local grantee does not. There's also usually some provision depending on the

source of the funding that the original source of the funding has a responsibility and an opportunity to enforce the easement as well. If the money flowed to the state through a land trust or from the feds through a land trust, there would be a conditional interest on the part of the original donor.

LAGE: Do you think that's a danger, that the conservation easement would be in danger?

WHEELER: No, the bigger danger—they're all being enforced, pretty much being enforced around the country. The biggest danger, the bigger danger is that those decisions are made independently without regard to strategic plan, and these organizations, state, local or private are very opportunistic. Not always, but the risk is you'd go out and say, "This farmer's willing to sell his easement, let's take it," but he could be in an area that's rapidly undergoing conversion and not likely to remain in agriculture. It would be more strategic to find an entire region, take the easements from that region, make sure that they are contiguous, that there's an economic rationale for the continued use of that land for agriculture. There's not enough planning associated with the use of the easement device. The same is also true of the Williamson Act, which is a tax incentive provided by the state of California for farmers whose land is valued at its ag value so long as it remains in agriculture, against the local property tax liability.

LAGE: It's only a ten-year period.

WHEELER: A ten-year period. That's another complaint about it, of course, that it's not permanent. The easements are permanent, usually.

LAGE: Well, they're being used more and more; they're beginning to phase out.

WHEELER: They are being used more and more because there is more and more funding available. I think it is the preferred strategy. I think to perfect it as a tool, there needs to be some planning to accompany its use, and it's the same as a conservation easement. But the conservation easements have been a little bit better utilized, notwithstanding some

recent controversy involving the Nature Conservancy, because there are criteria for the tax deductibility in the federal tax code. They're pretty rigorously enforced by the IRS that a legitimate conservation purpose is being served, that the organization which receives the easement has the capacity to enforce the easement, and some fairly serious criteria which assure that the land is well protected and the money is well spent.

LAGE: Again, you don't have that sort of a regional—

WHEELER: That's right, it doesn't eliminate the possibility of opportunistic buying, but there is also a requirement in the federal tax code or at least a preference for easements on land that is nationally significant, so you get some prioritization.

LAGE: It seems like the new—well, it's not new, but the coming thing, the more popular thing.

WHEELER: Well, it is because it solves the age-old dilemma which we touched on earlier, which is how do you create in private ownership a means by which to protect the public interest? Assuming that there's a continuum along an ownership between that which is totally in the public interest, that which is in the private interest, one usually encounters a mix of public and private benefits. It's unfair to ask the private landowner to assume that burden of public benefit without providing some compensation. So the easement provides a way to say, "Okay, we'll require that you not develop your farm, or make it into ranchettes or subdivisions, but we will compensate you for any value that may have been forgone because what you're doing is in the public interest."

LAGE: But it doesn't allow public access for it?

WHEELER: Well, it can, it mostly does, except where that would interfere with the ongoing use of farm and ranch land. That was a big issue in the Hearst Ranch protection, you may have read.

LAGE: Now, you were involved with that?

WHEELER: Well, just early on because I saw that—there are very few identifiable opportunities of that magnitude in California. And happily, that has been acquired, but the terms are not to everybody's liking, in part having to do with that access question.

LAGE: Access to the coast.

WHEELER: Actually, coastal access is the less controversial part. An easement was given over all of the land that is ranch land west of Highway 1, I'm sorry, east of Highway 1, and there will be no access to that land. The argument of the owner has been that they didn't want to allow access because it would interfere with their ongoing agricultural operation.

LAGE: And then the enforcement, who is responsible?

WHEELER: The enforcement, well, that's a good question. The enforcement is not by a state agency even though state monies were paid for the easement and for the fee, but by a cattlemen's trust, the California Rangeland Trust. This was an organization with which the Hearst family felt comfortable but which is not truly reflective of the public interest, or at least that was the complaint. It was resolved finally by making sure that there was this conditional interest on the part of the state, so that should the Rangeland Trust fail to enforce the easement adequately, then the state could step in, in recognition of the fact that the state had provided the funding.

LAGE: State money.

WHEELER: Yes, exactly.

LAGE: Now, what would be the kind of regulation that the conservation easement entails?

WHEELER: Well, I don't know the specifics of that one, but typically it would have to do with your grazing practice. It would certainly prevent further subdivision, that is, you couldn't subdivide.

LAGE: That one is easy to enforce. Water?

WHEELER: Right, but whether you are allowing cattle to overgraze is not so easy.

LAGE: All of that is in there.

WHEELER: It's there. Probably your use of herbicides and fertilizer are there, there is certainly a provision for the protection of endangered plants which might be on that property. I don't know for a fact, but those are pretty much more subtle, as you said. You can fly over and detect whether new houses were being built; not so easy to tell whether there's too much fertilizer.

LAGE: Now, if you had been—this is very much a what-if, but if you had been in state government, wouldn't there have been a good argument for the state to have been part of the enforcement of this?

WHEELER: Yes, I would have preferred that.

LAGE: It just was something that the Hearst family didn't want?

WHEELER: Right, and I talked to my successor once removed about that very issue, with Mike Chrisman. He said, "Doug, as you know from having sat in this chair, every one of these transactions represents sort of a balance," and he said, "without it, without their acquiescence, the state's acquiescence to this arrangement, we could have lost that entire transaction. On balance, I thought it was much more important to get the eighteen miles of coast," which were acquired west of the highway, and to get the development restrictions on that land, than to have gotten the state in a direct relationship with respect to enforcement of the easement. So in the end he yielded on that point.

LAGE: Very interesting.

WHEELER: But every one of those transactions has such judgments that have to be made.

LAGE: And it's true when you sat in the chair—

WHEELER: Yes, it's a different—you're thinking, "Do I want to be held responsible for losing this opportunity?"

LAGE: And how far can you push?

WHEELER: That's right, before you do lose it. You don't know.

LAGE: On the other hand, I'm sure there are people who were saying that the state caved in to this wealthy Hearst family.

WHEELER: Right, because they might have had undue influence. The interesting thing was that they could not get Gray Davis to spend the money that he was spending at the very end. I think some felt that toward the end of his administration when the recall was being deliberated upon, that he spent a lot of money buying land, I wouldn't say needlessly, but extravagantly. Mary Nichols was not convinced that the public was receiving value for its investment. I wish she had been as conservative with regards to some other transactions. [laughs] One of the problems with the state's—and it would have been true of Headwaters too—with the state's involvement with these large dollar amounts is that they set the bar for the next transaction and they cause owners' expectations to rise, and then you go and try to negotiate with one of these people and they say, "Well, why aren't I being paid as much as the Hearsts for my real estate?"

LAGE: Right, I've just finished an interview for the Save-the-Redwoods League, perhaps the most conservative of all the groups—

WHEELER: Right.

LAGE: Absolutely refuses to pay over the appraised value for land.

WHEELER: With good reason.

LAGE: Just for that reason. But I'm sure they've been overbid by many.

WHEELER: Right, and then they lose the opportunity. There's an interesting provision in the federal acquisition law, not true of the state, whereby the secretary in the exercise of his discretion and some pretty well-delineated criteria can pay more than the fair market value.

LAGE: Are there other—I want to ask you some more general things, but are there other issues that we should talk about that I might have missed?

WHEELER: No, I did want to get to the growth management question and we've done that. We didn't really address energy in California. That later became a much bigger issue that it was at the time we were there.

LAGE: You had said last time that you really didn't have much to do with that, but if there is something—

WHEELER: Well, I'm just saying the Energy Commission having been part of the agency, the place that we may have missed the boat, and I could have probably intervened to some extent, was on the whole question of siting. There was, part of the problem that was later experienced was the failure of the state to build new capacity, as it became needed. That was in part because of the siting problems of the industry and its relationships with the Energy Commission. I think they were much too concerned with the siting process and the implications for decisions that they made about siting as growth-inducing, for instance, to the exclusion of concern about adequate capacity. Chuck Imbrecht was the staff director of the commission while, for most of the time I was there, and he was brilliant. He was as well familiar with energy policy as anyone I had ever met. For that reason I tended to defer to him. But he believed very strongly that energy conservation would serve a very, very large role in meeting the state's requirements. It is true that the state became more and more energy efficient, enabling

the state to rely on less electricity than would have been the case otherwise. But I think he overestimated the effect of conservation and underestimated the need for new facilities.

LAGE: And I think that commission grew out of concern with energy siting and conservation, so they were continuing with their mandate.

WHEELER: That's right, so there was a very rigorous siting requirement, and they just simply constrained development too much, at least in hindsight.

LAGE: But they didn't—I think you told me, have anything to do or not much to do with the deregulation problems that ensued?

WHEELER: No, no. That was essentially a legislative initiative that originated with the governor.

LAGE: With Governor Wilson?

WHEELER: Right. And the legislature. It was passed by the Democrats as well. But I think they were of the view, maybe overreacting to the view from industry that said, "Hey, there were so many constraints we were not willing or able to make an investment sufficient to meet the state's requirements." So the thought was, "All right, we'll deregulate that, we'll free up the capital necessary to meet those demands." Then they just went too far in that direction, as it turns out.

LAGE: Was that discussed in any venue that you were part of?

WHEELER: No, no.

LAGE: That would be, actually it's a project we would love to get funding to do.

WHEELER: Very interesting project. Because even, to this day, I've heard Pete Wilson say, "There wasn't anything wrong with deregulation, it's just the way in which it was accomplished." He said, in fact, I guess, I don't know enough about it to know if this is true, but that at the very end, the legislature in writing the legislation put some

constraints on it that kept it from being true deregulation. So he's saying, if we'd gone even further we wouldn't have had these problems.

LAGE: Well, that's interesting. [laughs]

WHEELER: Yes, so your study would reflect whether that's true or not.

LAGE: Yes, or reflect whether people think that's true or not.

WHEELER: That's right.

LAGE: When you do oral history, you're mainly getting what people think, but that's important too.

WHEELER: Correct.

LAGE: Well, overall do you think—you did mention last time that whereas Wilson was strong on the environment, it wasn't really his priority.

WHEELER: Right, which I took to be a blessing, really. I would have liked for him to have been more interested in some places, and to be a stronger champion of a particular project or budget, but because he was content to let us—and when I say me, I should probably also include Jim Strock who had the counterpart responsibility, he was content to let us carry the burden pretty much. It gave me latitude to do a lot of the things we've been talking about that would not have been the case if he were directly involved. I had as much initiative, as much opportunity for initiative, as I could have asked for.

LAGE: Were there issues that you felt either that he was extremely interested in, or that he simply kind of sidelined you on because he wanted to go in a different direction?

WHEELER: I'd have to say that had he been more interested in growth management, we would have seen more progress there. I was counting on it because he had been so much an advocate of planned growth in San Diego. I mean, it was his hallmark, his original political characteristic was his involvement with that plan. So for whatever reason, and I said I thought it was because there was no constituency, he didn't see it as

politically advantageous, he may have seen it as disadvantageous, he just didn't lend support to that effort at OPR.

LAGE: It seems like the kind of land planning that you might advocate or that you tried to get passed under Nixon is almost beyond our reach today, that things have gone in a very different direction?

WHEELER: Ironically, yes. Here you had a conservative Republican president who was prepared to go to bat for it, and you're right, it is beyond our reach today. I mean, you couldn't—it's unthinkable that a Democrat or a Republican would today propose national land use planning, which shows that we have moved, as you suggest, in a completely different direction.

LAGE: Are there other large shifts that you might identify?

WHEELER: The one that has tended to come to exist is this focus on ecosystem planning. What we're about to see, I believe, is ecosystem planning that takes into account the oceans. I am among those who agree with the recent reports, one private, one public, that suggest that because these resources have been largely hidden from view, we have not been as attentive to them as we should be, and that the oceans have suffered as a consequence. The oceans, in terms of quality and the creatures, plant and animal, for whom the ocean is their habitat, have suffered.

LAGE: And do you think that's going to be an issue of the future?

WHEELER: Very much so.

LAGE: What will be the constituency there?

WHEELER: Well, hopefully it will be the environmental community and those who understand the connection between land and water. They are to a large degree interdependent. A lot of what has happened to the oceans has its origins on land, and similarly, we depend on the health of the oceans in lots of important ways, for food, for fishery enterprise, for

scientific research and discovery, for photosynthesis in large degree, for carbon sequestration. Functions that really haven't been paid much attention to.

LAGE: Now, who will—I just asked you this, but it almost seems like there has to be a business group or an industry. I know there's the fishing industry—

WHEELER: In fact, the problem there is probably that they have been over-exploitive.

LAGE: That's true.

WHEELER: They should be concerned about sustainable fishery, they're not or have not been so far.

LAGE: Might this be an issue like growth management?

WHEELER: Well, I'll say that the issue will evolve, we're going to see a little microcosm of it in this Marine Protected Areas Commission that's just been formed in California. The tug of war there is between the environmentalists on one hand who want a network of marine protected areas in which fishing is excluded completely, and the fisherman who will resist that mightily. If they come both to the conclusion that hey, we've neutralized or paralyzed one another, then maybe we'll see some progress in the sort of compromise or moderate solution. It'll be fun. It's an area that has not been adequately addressed, and it's an area where there's inadequate coordination. I don't know how many different government agencies have some role to play in the oceans.

LAGE: Does government work in these areas?

WHEELER: Not when it's not coordinated.

LAGE: What is different about Republican environmentalism?

WHEELER: Well, I think most people would say it is a reliance on these market mechanisms, and like most generalities it's an overstatement that Democrats or liberals would rely on restriction and regulation and that the Republicans or conservatives would rely on the markets. My experience over thirty-some years now suggests that there's kind of a

mix of the two that leads you to the right solution. There's a story in this morning's newspapers that suggested that market mechanisms will be relied upon by the second Bush administration in its second term. I suspect that we've seen some of that, we'll see some more of it. But as our Endangered Species Act experience suggests, it's the stick that makes the carrot effective. You need them both. Just as, I think, to some degree environmentalists are loathe to acknowledge the validity of the market mechanisms, those who favor the market mechanisms do not appreciate or do not adequately support the regulatory approach. It's the combination of the two that works. Regulation, by definition, is proscriptive, and prohibitive. It does not lead to anticipatory or progressive action. So it's not enough, in my view, to say, "You can't do this," you need also to say, "And you should do that." The market incentives in our society would enable us to take that next step.

LAGE: So you think it works.

WHEELER: I think the combination works. And I think that with most things, the answers usually lie in the middle of those two extremes. At least that's been my experience, both in government and outside.

LAGE: I ran across one old newspaper article, it must have been early in the Wilson administration. You and William Reilly and one other person, I don't know if you were founding a group or making a statement about Republicans were conservationists, interested in conserving—

WHEELER: Well, the view is that conservation and conservatism are naturally synonymous, not everybody sees it that way. Most of us trace our origins in interest and philosophy to Teddy Roosevelt, who of course was a great Republican conservationist. But he was also a resource manager. Most people would say he was not a preservationist, and that's an important distinction, I think. There are places in the country which have to

be absolutely protected and preserved, that's why we're so enthusiastic about buying the Headwaters Forest. There are other places where sustainable use of the resource is a healthy response. So we espouse habitat conservation planning—and today they're calling them “working landscapes.” A farm, which is well managed for its environmental impacts, is an appropriate land use. It's not an either-or proposition in that case. You can work the farm, gain some useful value from it, production, but you can still respect its environment. And many, many people, I'm convinced that a lot of people who are advocates for farm land preservation, like the many members who support the American Farmland Trust, are mostly concerned with open space, they see farming and ranching as a way to protect places they like from being overdeveloped.

LAGE: That working landscape phrase is one you wouldn't have heard thirty years ago.

WHEELER: Absolutely not, and that does represent this confluence of those two strains, I think.

LAGE: Now, what do you think of the Bush administration and its preservation record?

WHEELER: I would have to say I've been disappointed in its performance. I think the critics have overstated the negatives. The measure of its performance or any administration's performance has to be what in fact is occurring, not what people think will happen, or what regulation may or may not have been enacted. On that measure, the results have not been all that dire. Air quality is certainly improving, water quality is improving. There has been no change in those things over the last four years. What we don't know yet are what the longer term consequences are of some of the changes that they may have made in regulation. But what I have probably not liked most is the failure to sort of anticipate and to deal proactively with issues. It's kind of a status quo, a little too much emphasis on use of public lands for energy development. I happen not to be overly concerned about development in ANWR [Arctic National Wildlife Refuge] because first of all, the Congress set that portion of ANWR apart for that reason, that

is, to explore its potential for oil and gas, and second, I do understand that development of that resource can be done in a way that is less damaging than even the earlier work on the north slope. If we don't allow development in the United States, it's hard to expect other countries to do it for our benefit. Second, they will not do it in a way that is as environmentally sensitive as what we would do. If you said, "Well, we want to protect the pristine region of the Arctic National Wildlife Refuge," you know where that development will occur, and it's going to occur under controlled circumstances. So I'm not against all development on public lands, but I think you'd have to be pretty careful about extractive resource development. There hasn't been a whole—the fact is there has not been a whole lot of that, or if there had been, we wouldn't be so dependent on imports from other countries.

LAGE: What about the conservation side of it?

WHEELER: That's where I say they have not been as proactive as I would have liked in acquiring new land. For instance, and I'm very close to the national parks—

LAGE: It's not just new land, but incentivizing energy conservation.

WHEELER: Well, you like to see a higher mileage per gallon on gasoline consumption for automobiles, for instance. Yes, it's kind of hard to know—we've got an energy bill that has lots of incentives to conservation and we can't get that through the Congress because of the conflicts there between environmentalists and the industry. So it's too hard to guess at this point where this will all turn out. I was about to say that about Parks, I think they've got the right policy for the wrong reasons. Or the wrong policy for the right reasons. They've said, "Let's not acquire new land, because we're not taking care of what we have adequately. There's a huge parks maintenance backlog." And in fact there is, it's something like \$5 billion of deferred maintenance and developments in parks that were budgeted when those parks were established. But that

doesn't mean in my view that you forgo the acquisition of new lands because you may not have that opportunity down the road. So you can, or should be, somewhat opportunistic about that, protect land while you can, worry about developing or providing visitor services down the road. A principal architect of that policy, it's interesting, is Don Murphy, who served as state parks director.

LAGE: Under you.

WHEELER: Right, and who is now deputy director of the National Park Service.

LAGE: Oh, he is?

WHEELER: And he'll make a very eloquent argument about the need to spend what money we have in meeting the backlog.

LAGE: But you're disagreeing.

WHEELER: Well, I'm disagreeing—

LAGE: Do both.

WHEELER: Yes, exactly.

LAGE: What about the global warming issue, is that something you're concerned about?

WHEELER: I am concerned about that. I'm still not sure how you deal with it, and I think it was—now even the administration is coming around to say, "Yes, maybe this is a problem," but they're not sure how to deal with it either.

LAGE: They don't think Kyoto is the way.

WHEELER: No, and they're not alone in that, obviously. We're kind of hopeful that there might be some kind of alternative strategy in the offing.

LAGE: Let's see, you've now since 1999 have been in the private sector.

WHEELER: Mm-hmm. I've had the good fortune to work in public, private, and nonprofit all on this set of issues.

LAGE: And state and federal.

WHEELER: State and federal.

LAGE: And how do you like the approach you're taking today?

WHEELER: I like it fine. The difference, though, is, the big difference is that the agenda is not your agenda. That is, you are doing that which a client will pay you to do, which isn't always what you'd want to do necessarily. I'd like to say that I don't do anything that I wouldn't want to do, but I can't pick my priorities or programs. From what I've been saying about the time in Sacramento, the attempt to innovate or to initiate was very rewarding and satisfying, and we can look now at things that happened there as a result. Here you don't have that opportunity, unless you can steer a client in that direction. I have, I've been lucky, because of what I did in Sacramento actually, to attract clients who have that same general outlook. True, they are now in the private sector largely, although I do represent some nonprofits. In the private sector, landowners will come to me, not because they want to do battle with the government or exploit the resource, or otherwise behave badly, but because they like the idea of integrating the public and the private interest. The most interesting and rewarding thing I've done so far is the salt ponds in San Francisco Bay. Perfect example, I would have had as a state employee, or government, federal employee, the same outcome or desired outcome as I did representing the private owner in that matter.

LAGE: And that was Cargill?

WHEELER: That was Cargill. Just deciding, "All right, here's a resource that cannot effectively be developed either for real estate purposes or really economically for salt any longer, after a century of use, what is its best use?" The best use is to add it to the public estate for refuge purposes and recreation around this very populated area. So it became my task both to help the company see that and then help negotiate a transaction in which they were fairly compensated for the values there.

LAGE: Now, you say you helped them see that, what did they actually come to you for?

WHEELER: It was kind of one of these loggerheads cases. Notwithstanding that when the refuge was established—there is an existing national wildlife refuge—they were allowed to continue that protection.

LAGE: Yes.

WHEELER: In fact, I helped to put that plan together when I was at Interior. My first visit to San Francisco was on an occasion to see that then Leslie Salt property which was to be added to the national wildlife refuge system. That arrangement was to give Cargill, or Leslie and its successor, Cargill, continued use of the balance pursuant to an operating agreement and some understanding that maybe ultimately that land would be acquired by the refuge. Well, the part of it that had to do with continued operation for salt production was stymied by regulation, the Corps of Engineers, 404 permits, the Endangered Species Act, the rest. They came finally in frustration to say, “Look, we thought we had an agreement in which we could continue salt production, we’re being continuously,” from their view, “harassed by these agencies, what to do about that?” We finally decided that they had the option of continuing to fight in court over the regulatory requirements or they could consolidate their activities, which they had done now in the East Bay, but to sell the land in the South Bay and the West Bay for addition to, or expansion of the refuge.

LAGE: But they do still produce salt.

WHEELER: Mm-hmm.

LAGE: So that itself is not an un-economical—

WHEELER: Not in the sort of concentrated way. It’s a much smaller operation, much closer to the production facility. Their production facility is in—

LAGE: Newark?

WHEELER: Yes. It's on the east side of the bay. So they don't have to bring the slurry all the way across the bay in this giant pipeline, don't engender the costs in doing that, and so it's, I think, ultimately, they'll be out of that business altogether. There is a provision in the agreement that gives the states and the feds first dibs on that property.

LAGE: And does the money they got from their land compare favorably with the money they would get in production?

WHEELER: I don't know what the answer to that is. They'd have to project how much they could get, given the regulatory constraints.

LAGE: It must have figured into the cost.

WHEELER: I would guess it did. Well, the cost is sort of based on comparables, it's not based on their estimate of what it might be worth ultimately. They feel they were paid less than its fair market value. We had appraisals that were considerably higher. They too will use this tax incentive and take the difference as a charitable contribution.

LAGE: I see.

WHEELER: So that's a kind of typical conservation real estate transaction.

LAGE: It's a carrot and stick, again, because you've got all the regulations that beat them into it. [laughs]

WHEELER: Exactly. Well, it's a very good point. Another one just like that, not in California, but in Colorado, I represented the owners, California owners, of a 100,000-acre ranch called the Baca Ranch in the San Luis Valley of Colorado. The owner had bought this land with the expectation that they could develop the water, to move it out of this agricultural valley to the more densely populated urban regions of Colorado. If they had come to me before they made the investment, I would have said, "You cannot do this." It was obvious to anybody except an investment banking firm in San Francisco that water is not a commodity in the sense that it could be so readily moved around,

for lots of reasons, political and otherwise. Well, having come to that conclusion, what do we do next? Well, it abuts the Great Sand Dunes National Monument. We had to get the authority to expand the size of the monument, to acquire that land, to appropriate those dollars, to negotiate a transaction with the Park Service, and that land has become—notwithstanding this administration’s stricture against new land acquisition—has become part of an expanded Great Sand Dunes National Park. There again, the owner was fairly compensated, but it was a restriction on its use of the water that caused them to realize that the conservation solution was the better approach.

LAGE: Okay, I think we’ve covered things pretty well.

WHEELER: Good.

LAGE: And we have a good picture, unless you think we’ve overlooked something.

WHEELER: Certainly not that I can think of.

LAGE: You’ll get a chance to review the transcript.

WHEELER: Good! And edit.

LAGE: Well, I’m hoping not much editing.

WHEELER: All right. [laughs]

LAGE: If there’s anything that you’ve said that you don’t want published, we’ll seal it.

