

BusinessWeek

SPOTLIGHT ON THE ECONOMY

Save the Species—but Add Incentives



Bald eagle

Check It Out! In this chapter you learned about six economic goals our nation strives to meet. The following article points out how the actions of people and the government may cause some economic goals to conflict.

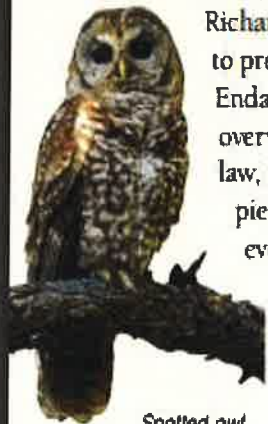
In 1782, when the bald eagle became the American symbol, it ruled the skies—25,000 to 75,000 patrolled what would become the lower 48 states. By the early 1960s, however, fewer than 450 nesting pairs remained. Defenseless against human predators, the bald eagle was approaching extinction.

... [O]n December 28, 1973, President Richard M. Nixon took decisive action to prevent that. He signed the Endangered Species Act. Despite the overwhelming support for the new law, it quickly became the most reviled piece of environmental legislation ever enacted.

With his signature, Nixon had protected not only the bald eagle but also scores of other weird animals and plants. . . .

Environmentalists seized on the Act as a powerful weapon to protect sensitive habitats; meanwhile developers, loggers, and cattle ranchers, to name a few, howled in pain. . . .

[C]ontroversy over protecting the spotted owl



Spotted owl

threatened to close down logging on millions of acres of forest in the Pacific Northwest. . . .

Conservative critics have denounced the Act, arguing that it gives Fish & Wildlife Service biologists unlimited power to block development—without paying for it. They say that if the government cuts land values by blocking development, it should compensate the owners.

... Flexible interpretation of the Act now allows landowners and developers to destroy some endangered-species habitat if they agree to preserve or restore habitat for the species somewhere else. Adding more incentives, such as tax breaks, could also ease critics' concerns.

For all its shortcomings, the Act has slowed the decline of imperiled species. A few have been saved, including the bald eagle. . . .

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Think About It

1. What argument do environmentalists make in support of the Endangered Species Act?
2. What argument do critics make against the Act?
3. What two economic goals are in conflict in this situation?