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A Functionalist Approach to User Fees

Thomas A. More
USDA Forest Service, Northeastern Research Station

Few recreation issues are more controversial than imposing fees for access to public lands. Fee proponents argue that user fees: (a) promote equity by charging users directly; (b) increase economic efficiency; and (c) generate needed revenue. However, the argument from equity ignores the existence of nonuse values and fails to consider the effect of fees on people at the margin, particularly the working class. The efficiency argument relies on questionable assumptions about value and willingness to pay and weights public policy toward the preferences of the affluent. The argument from revenue generation tends to advance agency interests that may not be perceived as being consistent with the interests of the general public. As an alternative, I propose a functionalist perspective that focuses on the purposes associated with public-sector management of parks and recreation. Public parks, facilities, and programs must serve public objectives. It is these objectives that determine the appropriateness of user fees, a point that has been largely lost in the discussions of the mechanics of setting fees.

KEYWORDS: *User fees, equity, economic efficiency, recreation policy*

Introduction

Few recreation issues are as controversial as imposing fees for the use of public lands. Over the past three decades, user fees have become well established at municipal and state facilities (Brademas & Readnour, 1989), and now discussion has reached the federal level with the Congressional authorization of experimental fee programs on many federal lands. Despite their widespread use, public-sector visitor fees remain controversial among both professionals (cf. Shultz et al., 1988) and the public (Gable et al., 1998). In this paper I review three major arguments in favor of fees within the context of historical, political, and socioeconomic trends, particularly the rise of libertarianism and the decline of the middle class. I also provide an alternative view of fees, advocating a functionalist perspective that focuses on the purposes associated with public-sector management of parks and recreation.

Proponents claim that fees for public recreation: 1) recover costs and provide revenues to improve quality (Harris & Driver, 1987); 2) allocate recreation resources efficiently (Sanderson, 1995), relieving congestion and its

Address correspondence to: Thomas A. More, USDA Forest Service, Northeastern Research Station, P.O. Box 968. Burlington, VT 05402.

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effects by shifting use among sites (Manning et al., 1984); 3) stimulate the production of recreation opportunities by avoiding unfair competition with the private sector (LaPage, 1976); 4) provide a comprehensive index of relative recreation preferences to facilitate resource allocation across programs (Binkley & Mendelsohn, 1987; Crompton & Lamb, 1986); and 5) promote equity by shifting the burden of paying to those who actually use the resource (Crompton & Lamb, 1986).

Such arguments usually fall into one of three general categories: equity, efficiency, or revenue generation. Of these, the argument from equity is perhaps the most powerful because it is the most emotionally compelling. It suggests that fees can improve equity (fairness in the distribution of costs and benefits) by shifting the burden of paying for an area or activity to those who actually use it. Crompton and Lamb (1986) suggested that income redistribution occurs with all government services in which some individuals are subsidized. However, such subsidies seldom are distributed evenly and some may benefit the wealthy at the expense of low-income groups (p. 322). Municipal services, in particular, depend heavily on property and sales taxes—taxes that tend to weigh most heavily on low-income groups. Indeed, when low-income groups are nonusers, subsidized services such as parks, libraries, museums, zoos, aquaria, or marinas actually may shift income to upper income groups. Such "reverse" shifts in income distribution can be avoided by pricing the service properly and then finding ways (such as free days or rebates) to subsidize needy groups (Crompton & Lamb, 1986.)

The situation is similar for resource-based recreation. For example, people with household incomes below $20,000 were substantially underrepresented among participants in 13 of the 15 recreation activities included in the 1982 National Recreation Survey (Cordell, 1985). Except for students, most California wilderness users are at the high end of the income scale (Vaux, 1975). Similarly, 62 percent of all national park visits in the Pacific Coastal region are by people with high or very high social status (based on education and occupation plus income), while less than 6 percent are by those with very low socioeconomic status (Bultena & Field, 1978).

The standard explanation for these findings is financial. Visits to resource-based parks or wilderness generally require a financial commitment that most low-income people cannot make: travel is costly and many activities require expensive gear—tents, sleeping bags, cookware—that poor people cannot afford. Consequently, because low-income people are priced out of the market for most activities in advance, user fees are assumed to have little or no impact on them (cf. Vaux, 1975; Clawson & Knetsch, 1966). And since low-income people pay taxes, using tax dollars to support such areas and activities amounts to having low-income nonusers subsidize the recreation of higher income visitors—a "reverse" transfer of income, in Crompton and Lamb's (1986) terms. Therefore, what could be more appropriate than to increase equity by implementing user fees, shifting the burden of payment from low-income nonusers to upper income users?

The argument from efficiency is founded on the idea that free markets are the most efficient means of allocating scarce resources. When prices

fluctuate with supply and demand, people adjust by purchasing goods and services according to the utility they derive and their ability to pay. A night's developed camping may be worth $25 to a family that enjoys camping, but only $5 to a family with marginal interest. If the current price is $15 per night, only the first family will participate. In this way, pricing assures an efficient allocation of resources, awarding them to people who value them most. However, when the government subsidizes camping with tax dollars, providing it at little or no cost to participants, the system of demand, supply, and price will not work and both families may participate often, leading to undesirable consequences such as crowding, site deterioration, and experience degradation. Subsidies also diminish incentives to construct private facilities because unlike their public counterparts, private facilities must recover all costs. Subsidies deprive policymakers of the ordinary market signals that indicate value and can be used to develop priorities among programs and facilities. Pricing also encourages accountability as people who pay substantial amounts frequently ask "What am I getting for my money?" (Crompton & Lamb, 1986; More et al., 1996a).

The revenue generation argument no doubt is the most appealing to facility managers (Crompton & Lamb, 1986). In general, our need for parks and nature reserves has been unable to compete for general fund tax revenues given the immediacy of demands created by law enforcement, hunger, illiteracy, and medical care for our children (LaPage, 1994). Even within providing agencies, recreation budgets can fair poorly. For example, between 1986 and 1991, southern Appalachian national forests received approximately 47% of the planned recreation budgets, while timber programs received 97% of the planned funding (Morton, 1997). Under such circumstances, the sustainability of recreation opportunities seems doubtful. As LaPage (1994, p. 22) stated:

> "Because their benefits are perceived to be deferrable, we continue to go through long cycles of park and natural area degradation interspersed with brief and infrequent periods of public embarrassment and short-term atonement. The level of vision which created these public lands deserves to be matched by funding sources which assure their benefits now and in the future. And, those funding sources must be protected from raids with a tenacity equal to the protection of the lands themselves."

The solution, as LaPage and others see it, is to use fees to create agencies that are increasingly self-funded. In New Hampshire, for example, the state park system uses fees in conjunction with other tools (corporate underwriting, merchandising, volunteers, etc.) to cover operational and some non-operational costs. Income in excess of budgeted expenses can be spent on any park program or project, including staffing and promotions (LaPage, 1994). In this way, user fees offer beleaguered agencies the hope of at least partial fiscal autonomy that will enable them to sustain recreation opportunities.

While each argument could be developed more fully, the message of fee proponents is clear: imposing fees for the use of public lands increases equity

by shifting the burden of payment to users, promotes efficiency by providing a market-like mechanism to allocate resources, and provides agencies with sorely needed revenues with which to pursue important goals. However, I believe that all three arguments are deeply flawed.

The Argument from Equity and the New Class Structure of American Society

The force of the argument from equity depends upon two comparisons: user vs. nonuser and rich vs. poor. Specifically, it is argued that poor nonusers are subsidizing rich users. The argument from equity implicitly assumes that nonusers dislike subsidizing users: Why should you pay for my recreation, or I for yours? While resistence to such subsidies may be widespread, nonuse values account for a substantial portion of the total economic value of many areas. Specifically, many studies have shown that nonusers derive existence, option, and bequest values from resources that they have never used and may never use. In current practice, most agencies use fees only to recover the direct costs of providing recreation services to users and do not expect them to extend to nonuse values. However, even to some fee advocates, nonuse values suggest that some public subsidy of recreation resources is appropriate since nonusers represent beneficiaries who cannot be charged directly (Harris & Driver, 1987). More importantly, altruism is a small but consistent theme in the resource valuation literature (Glass et al., 1990). While much of this altruism no doubt depends on income (the ability to pay), it would be deeply patronizing to suggest that low-income people are incapable of altruistic motives and behavior. This, indeed, is the idea behind Dickens' *Christmas Carol*—the rich man who cannot share in contrast to the more generous poor. The preservation of natural wonders such as Yellowstone or Yosemite, or of historic resources like the Lincoln Memorial or the Vietnam Memorial, may be deeply important to low-income people even though they may be unable to visit them. Similarly, low-income people might be willing to have their tax dollars used to subsidize a neighborhood pool simply because they believe it to be good for the children and despite the fact that some of the children who use it come from well-to-do families. The relationship between altruism and income deserves more credence and research before it is dismissed out of hand.

More importantly, the argument from equity makes only general class comparisons (e.g., rich vs. poor), ignoring the effect of fees on people *at the margin.* When considering the implementation of fee programs, it is valid to ask: "Who is at risk? Who will be priced out?" To understand how vast the negative impact of fees can be, we need to examine the dramatic changes in class structure that have occurred in American society over the past half century. Cassidy (1995) provided one such analysis:

The idea that the United States is a middle-class country is at least as old as de Tocqueville. By the 1950's, most U.S. citizens described themselves as belonging to the middle class regardless of their income. Their self-

assessment was supported by a rapidly growing economy that divided the wealth remarkably evenly, so that the era between 1947 and 1973 has been dubbed the Golden Era of the U.S. economy. During this period there were five distinct classes ranging from rich to poor, and the income expectations of each class were rising. But a remarkably different picture emerges for the years 1973 to 1993. In this era, overall productivity growth slowed and the rewards of this growth no longer were shared equally. The bottom 40% of American families saw their incomes decline in real terms, while in 1993, the richest fifth of the nation's households received 48.2% of the aggregate household income. In these circumstances, it makes little sense to speak of a middle class; instead, the country now was split into four groups. As Cassidy (1995, p. 18) put it:

> "At the top, there is an immensely wealthy elite, which has never had it so good. At the bottom, there is an underclass, which is increasingly divorced from the rest of society. And between these extremes there are, instead of a unified middle class, two distinct groups: an upper echelon of highly skilled, highly educated professionals, who are doing pretty well; and a vast swath of unskilled and semi-skilled workers, who are experiencing falling wages, stagnant or declining living standards, and increased economic uncertainty."

Thus, while some American families are doing quite well, and some others seem almost beyond hope, a "vast swath" of American families are feeling the pinch. How many families are affected? Cassidy's analysis is rationalistic and intuitive; it does not include estimates. By contrast, Gilbert and Kalh (summarized in Hurst, 1998) used 1990 census data (and 1990 income figures) to argue for a six-class breakdown of American class structure. At the top of their class structure is the capitalist class—the one percent of the population with incomes greater than $750,000. The capitalists are followed by the upper-middle class, the 14 percent of the population with family incomes of at least $70,000. The middle class (30 percent of the population) has household incomes of about $40,000 per year, while working-class people (30 percent) have family incomes of about $25,000. The working poor comprise the 13 to 15 percent of the population with household incomes below $20,000. At the bottom is the underclass, the 10 to 12 percent of the population who have incomes under $13,000.

One can quibble about any such classification, of course. Should the working poor be separated from the working class? Should there be another class between the upper-middle and capitalist classes? Any classification scheme depends upon the purposes and criteria of the classifer. However, the point should be clear: From 53 to 57 percent of American families can be classified as working class or below, and despite the boomy economy of the late 1990's, the trend in their incomes has not been positive. According to the U.S. Department of Labor, between 1979 and 1995, the earnings of the median male worker *dropped* by 11.5% to $27,716, and those who did not attend college fared worse (Cassidy, 1995). Moreover, since 1987, the wages of college graduates and white-collar employees have also been declining

(Hurst, 1998). These declines placed increased pressure on women to work, but as a group their wages have been insufficient to offset the decline in their husbands' still higher wages. During the same period (1973-93), most middle-income families spent an ever increasing proportion of their incomes on housing, utilities, and health care (Cassidy, 1995). These Department of Labor Statistics confirmed what many had suspected. By virtually any standard, the middle class has been declining, and the optimism of the 1950's has given way to a deeply rooted financial anxiety in the 1990's. More people than ever before in recent history are worried about keeping their jobs and educating their children.

So what happens when we raise the price of public-sector recreation? Obviously, the impacts will be minimal on the upper class, and possibly among the poor as well, though cities are increasingly charging for the use of municipal facilities (Brademas & Readnour, 1989). It will be among the working class—the people at the margin—where the impacts will weigh most heavily. These people are neither poor, nor immobile. They do, however, live with constant economic and financial anxiety (Sennett & Cobb, 1973; Rubin, 1994). These are the people who are most dependent on low-cost, public-sector recreation; they are the ones who must decide between spending $15 for an extra night's camping or putting it toward a new pair of school shoes. And, as the above analyses show, there are lots of them; no matter how nominal the fee, there is always someone right at the edge.

Actual studies on the effects of pricing are limited. In a study of Maine developed campground users, Reiling et al., (1992) found that when fees were low, low-income campers camped more than upper income campers, but they dropped out of the market quickly as prices rose. Similarly, Stevens et al. (1989) found that participation at Massachusetts day-use state parks was more price sensitive than previously thought. In Britain, Kay and Jackson (1991) identified financial and time constraints as the most widespread categories of leisure constraints. When faced with financial constraints, most people reduced but did not eliminate participation (Kay & Jackson, 1991). These findings are no more than standard economic theory would predict—as price increases, consumption decreases. So what we are discussing is diminished participation, particularly among the working class. This raises interesting questions for public-sector recreation policy. We have generally believed that participation in outdoor recreation activities is desirable and should be encouraged. User fees clearly militate against this. How much participation is enough? Does it matter that a family now can afford only a one-week vacation as opposed to a two-week vacation? Does it matter that the children now visit the beach three times each summer rather than 10? The only way to respond to such questions is to have a firm sense of purpose—an understanding of why the public sector is involved in the provision of these areas and activities in the first place.

A second impact comes in the identification of our "customers." Lower-income people may well be underrepresented in "customer" surveys not because they have been excluded but because they have reduced their partic-

ipation. So as prices are raised further, our clientele increasingly will come from middle and upper middle classes. Lower-income people will make some adjustments, of course; people do share equipment, and church and civic groups may maintain equipment that can be borrowed. Also, people save for travel and other goals. Nevertheless, charging for the use of public areas and facilities takes them farther from the reach of the working class and raises real questions about the legitimacy of public-sector management.

There also is a possibility that fees may actually increase inequity. The argument from equity suggests that the poor and the working class might be better off if parks and recreation facilities were removed from the tax rolls. But nominal fees may actually discourage participation by lower-income people while still maintaining subsidies. At current levels, most public-sector fees cover only a portion of total costs, both fixed and variable, although marginal costs—those associated with adding an additional user—can be quite low (Daniels, 1987). When subsidies remain, and when partial fees discourage participation by low-income users, these subsidies will accrue to upper-income groups. This argument parallels the argument from equity, but it recognizes that there are marginal users who might participate more often if an area or activity were more affordable.

Finally, the relationship between fees and nonuse values needs exploration. Nonuse values—which include existence, option, bequest, and altruism—represent benefits that accrue to nonusers. So, for example, a low-income person might value the existence of Yellowstone National Park even though she may never plan to visit it. Although individual nonuse values may be small relative to use values, they can, when aggregated over a population, comprise the single largest component of the total value of any particular area (Glass et al., 1992). How would these values be influenced by fees? In the case of option value—payments a person is willing to make to preserve the possibility of future use—the answer is straightforward: Fees reduce option value. Option value is associated with expected consumer surplus over time (Freeman, 1992). When a good is free, consumer surplus is 100 percent. When it is priced, consumer surplus is reduced accordingly. Thus, the amount a person is willing to pay to preserve the option is a function of what future use will cost. Altruism, on the other hand, actually might be enhanced by pricing since it is fundamentally an act of generosity; pricing creates the opportunity to give.

The effects of fees on existence and bequest values are more difficult to assess. Some authors have recently expressed reservations about the logical foundations of existence value (More et al., 1996b; Bergstrom & Reiling, 1998). Such criticisms aside, how would one feel about the preservation of expensive opportunities? A broad population survey would probably reveal some people who were willing to pay to preserve an expensive, exclusive country club even if they could never join. On the other hand, many more people might reject such an opportunity, so the effects of pricing on existence values are uncertain. Bequest value is similarly complicated because it is a combination of both intergenerational altruism and intergenerational

option value. Thus, nonuse values muddy the equity waters, not least because we know little about their distribution throughout the population. Clearly, this area needs sound conceptual work.

Economic Efficiency: Are the Assumptions Warranted?

Economics is above all a science of efficiency—efficiency in the allocation of scarce resources to produce the maximum possible benefit to society. Consequently, improvements in efficiency are considered to be good, so much so, in fact, that Crompton and Lamb (1986, p. 329) consider them the "strongest single reason for advocating expansion of user pricing in the public sector."

Efficiency comes into play when scarce resources must be rationed. In outdoor recreation, for example, rationing may be necessary when areas are overused and are physically deteriorating, when resources such as wildlife are limited, or when design limits sites, as with campsites or parking spaces. In each case, the problem is to find a rationing mechanism that is both fair (equitable) and efficient. Unfortunately, this is difficult because there is a tradeoff between equality and efficiency. Our economic institutions emphasize efficiency which creates inequality by rewarding people differentially, while our social institutions tend to emphasize equality. Public policy often represents an uneasy compromise between the two (Okun, 1975). For example, a fair system may be less than efficient; it may allow everyone in, but at the cost of producing crowding, site deterioration, and other negatives. By contrast, an efficient system may limit use, but may exclude those who lack the ability to pay. Apart from the fairness of fees, how do they stack up in terms of efficiency?

There are two key problems with using efficiency as a basis for pricing decisions. First, efficiency assumes that the value of something can be measured by willingness to pay, an assumption I wish to dispute. Second, even if we accept the previous assumption at face value, using the efficiency criterion tends to weight decisions toward the preferences of the comfortably well-off—those with the ability to pay. I discuss each of these difficulties in turn.

Many publicly-owned natural resources are allocated by lottery (as with many scarce hunting opportunities) or on a "first-come/first-served" basis. However, Rosenthal et al. (1984) argued that fees are the most economically efficient rationing mechanism. They suggested that the most efficient of several actions is the one that produces the greatest net benefit—the greatest sum of aggregate gains minus aggregate losses. To assess gains and losses, it is essential to have a common unit of value—in this case, money. Pricing, the mechanism by which most goods and services in this country are distributed, improves efficiency because it sorts people according to their willingness to pay (a demand function). If a park entrance fee is $10, only those who believe that they will derive $10 or more in benefits will visit. Those to whom the experience is not worth $10 will go elsewhere. So if we know the shape of the demand curve (what different people are willing to pay for a

particular site or experience), we can accomplish many important management goals (see Crompton & Lamb, 1986, chapter 13). For example, we can set the fee high enough to discourage crowding, thereby reducing physical site deterioration or experience degradation. We can choose rationally among programs (because we will know the value of each), ensure accountability (because people will expect services for their money), reduce undesirable behavior like littering or graffiti, and stimulate private-sector service delivery (because we now are avoiding unfair competition). With so much good that fees can accomplish, why not implement them immediately?

Recall that to work, the efficiency argument assumes that we can measure value in dollar terms and that we can sort people along a willingness-to-pay dimension which represents value. Rosenthal et al. (1984) were explicit about this (p. 197):

> "For individuals who feel that a site is unique and that there are very few good substitute sites, a price change will have little effect on their use of that site. Because they would be willing to pay a substantial price, they are termed high-valued users. This is in contrast to those who feel that there are many other sites that are almost as good as this site, and who would respond to a price increase by switching to another area, e.g., another site nearby, or a different activity altogether, e.g., watching TV. These lower-valued users will exit in large numbers, leaving a higher percentage of high-valued users at the site. If use is rationed by a lottery, then high-valued and low-valued users have an equal chance of gaining entrance."

Unfortunately, this argument ignores the effects of ability to pay, which, in turn, invalidates the assumptions about the relationships between willingness to pay and value because it alters the meaning of the money. To illustrate, consider "value" as measured by a different dimension: Suppose both you and I have a month's vacation. During our vacations, you spend 7 days fishing while I spend 3. From this, it is reasonable to conclude that, other things being equal, you value fishing more than I do. Now, however, suppose that you have a two-month vacation, while I only have two weeks. As before, we fish for 7 days and 3 days respectively. Can we now conclude that you value fishing more than I do? I suspect that most people would be tempted to shift to a proportional scale—one that examines our participation as a function of the time we each have available. On that basis, I have actually spent a greater proportion of my available time fishing than you have; would we still conclude that you value fishing more?

The same problem holds true when we use dollars (or willingness to pay) to measure value. If everyone had the same amount to spend, then, all else being equal, their expenditures would be a reasonable guide to their values. This might be nearly the case in a "middle-class" society. However, as the income gap grows, the idea that value can be measured on a constant scale of dollars becomes increasingly incredible—an "awful stretcher" in Mark Twain's terms. For example, a wealthy family with an annual income of several hundred thousand dollars might find $15 for a night's camping to be negligible. But a working-class family making $30,000 is likely to view

the situation differently; that is, a night's camping might be equally desirable to both, but the choice is much more difficult for the family with limited means. And factoring in ability to pay makes it easy to imagine situations that exclude "high-valued users" but include "low-valued users." Imagine, for example, a low-income family that would find a trip to Yellowstone a peak experience but that can afford to stay only a few nights, in contrast to a marginally interested wealthy family that can stay as long as they like simply because they have the money. "But", you might object, "That's just the way of the world. I would stay in the penthouse suite at the Ritz and be catered to all day if I had the money! That is simply the way our society is constructed!" This is true enough for the private sector. But we are talking about the allocation of *public* resources. The key point is that the argument from efficiency is valid only if you assume that one dollar has the same meaning to everyone. In current America this is increasingly hard to accept, and rationing by fees can be tantamount to rationing by class.

Most economists have been reluctant to give up the notion that value can be measured directly with dollars (Thomas Stevens, Dept. of Resource Economics, University of Massachusetts, personal communication, 1999). Even if we grant the assumption, efficiency measures are concerned with maximizing total value (willingness to pay) without considering its distribution throughout society. Efficiency treats dollars like votes—the more dollars you have (i.e., the greater your ability to pay), the more votes you get. Thus, using efficiency weights policy towards the preferences of the affluent. As before, this is fine for the private sector, but the public sector has an obligation to consider fairness in its policies (Okun, 1975). For the past several decades, fee proponents have emphasized efficiency as a determinant of recreation policy; the time has come to re-examine fairness.

Revenue Generation: The Private Interests of Public Agencies

Although many economists praise economic efficiency, most recognize that the government has other objectives in pricing. One of these is equity; another is revenue generation. In the public sector, the goal is not profit but the ability to fulfill other objectives (improved customer service, enhanced maintenance, etc.) that ostensibly serve the public interest. Fee proponents argue that self-funded agencies may be better able to achieve these goals.

There are two key problems with revenue generation arguments, one easily resolved, one not. The easily resolved problem concerns naive calculations. Managers often are eager to levy fees because they believe that a fee increase will yield increased revenues. Since fees for recreation generally have been low, modest fee increases usually increase total revenue. But sometimes fee increases may reduce the total number of visits and can cause total revenue to decline (Reiling & Kotchen, 1996). Sometimes, too, there can be excess demand. In that case, a fee increase may not affect total visitation but could change the type of visitor. We cannot conclude that imposing a fee has had no effect simply because total use remains unchanged (Reiling et al., 1992).

A more complicated version of this problem concerns demand elasticity—the extent to which an activity or area is "price sensitive." The demand for outdoor recreation generally has been thought to be relatively insensitive to price (inelastic); that is, we usually can raise the price and people will keep coming. However, our information on this is far from complete and there is some indication that day-use areas may be more price sensitive than originally thought (Stevens et al., 1989).

The second, more difficult problem with revenue generation arguments concerns the wisdom of setting up semiautonomous, self-funded agencies. A recurrent theme in the history of the American park and recreation movement is the continual tension between political and professional control of the parks. As noted earlier, political control can frustrate managers because the rapidly changing political climate can result in wild swings in budget levels and philosophies. Under President Carter, for example, the national parks were operated to enhance preservation, while under the Regan administration they were expected to serve as economic development tools (Freemuth, 1989). Caught between such dramatic swings in policy and struggling with declining budgets, park and recreation professionals are likely to welcome the idea of a semiautonomous, self-funding agency. User fees are an obvious means to attain this goal. Yet professional (and agency) motives are hardly pure. Research on organizational behavior suggests that all social organizations, government agencies included, strive to grow and develop, enhancing their power, prestige, and influence. This can create pressure to increase fees well beyond the nominal level. Recall that in New Hampshire, staffing and promotions are both tied to self-funding (LaPage, 1994). Even with nominal legislative oversight, how pure can we expect professional motives to be? And the problem may lie deeper than that because fees also enable legislators to claim victory—they no longer need tax revenue to cover an appropriation and may even have a source of new monies. When the mechanics of fiscal concerns predominate, legislators may turn a blind eye toward the agencies with the result that the agencies are increasingly acting as if they, not the public, own the land. I believe this indeed is the case, that the original public purposes which the parks were to serve are being lost in a sea of fiscal concern and agency self-interest.

A Functionalist Approach to User Fees

The importance of purpose in determining fee policy has been an underlying but consistent theme of the previous sections. I now will examine this issue directly, placing fees within a broad, functionalist context. Any formally designated park or forest, from the humblest neighborhood facility to the grandest national park, is a systematic organization of both natural and social resources. As such, it is viewed appropriately from a systems perspective, using concepts from both systems biology and General Systems Theory (see Averill, 1992 and Averill & More, 1993). Five concepts are central to this analysis: function, mechanism, capacity, temporary states, and level of integration/disintegration. Any system can be described in these terms. For

example, an automobile has a set of functions—transportation, status, etc. Spark plugs, brakes, styling, etc. are the mechanisms that enable it to fulfill its functions. Capacities include seating capacity, horsepower, trunk space, etc. Temporary states could include on/off or overheatedness. And some cars are better integrated than others.

A similar analysis can be applied to parks and forests. Parks are organizations of natural and social resources that have been set aside in the public domain to accomplish a function or set of functions. Generally, these functions concern the preservation of a unique or (in cities) scarce resource in service of the public good, both for present and future generations. For example, the national parks were established with the twin (and often conflicting) goals of resource protection and promoting public use and enjoyment (Chase, 1987). Subsidiary functions of parks and forests might include providing recreation opportunities, protecting fragile ecosystems, stimulating local economies, and maintaining a steady supply of timber. These are the functions—the purposes—that the parks were designed to serve. A park that has lost its function may be vestigial.

Each purpose or function has mechanisms that enable it. If a park's primary purpose is recreation, the mechanisms involved may include trails, beaches, or scenic overlooks. However, the major mechanism for any forest or park is the management agency. After all, it is management that decides priorities among functions, allocates budgets, determines limits, etc. In short, management is the primary mechanism through which the park fulfills its functions.

Capacities also can be numerous and varied. The recreation literature has long discussed various aspects of carrying capacity. Capacities also can touch on parking, number of campsites, restrooms, etc. However, just as the primary mechanism is the management agency, so the primary capacity is the budget. With a larger budget, many of the physical capacities of a park can be expanded—parking areas, campsites, land acquisition, etc. It is the budget that enables the managing agency to function properly, and concern over budgets is one of the reasons for the current interest in fees.

Of less significance are temporary states and the level of integration/disintegration. Temporary states are time-dependent processes: a park may be open or closed, full or empty, etc. The level of integration concerns how well the park is constructed, both physically and socially. Thus, integration might reflect a concern with in-holdings or land acquisition, or a concern for how well the staff functions as a team. One key concern directly related to the fee issue is the deterioration of facilities—the level of deferred maintenance.

These five characteristics provide a basis for evaluating the impact of user fees. Of the five, function (or purpose) is the most important; without functions to be fulfilled, mechanisms, capacities, temporary states, and integration levels would be irrelevant. It is here that our examination begins.

Public lands often are set aside as the result of grassroots movements that precipitate government action. Agencies do acquire and consolidate

lands, but the history of the American park and recreation movement suggests that a concerned citizenry (whether acting altruistically or in their own interests [cf., Domosh, 1997]) can be a central impetus to public acquisition. For example, government acquisition of Yellowstone National Park preceded the formation of the National Park Service (Wellman, 1987); while in Chicago, the reservation of Grant Park took place prior to the formation of the parks department (Bluestone, 1992). Thus, in the public sector, the public purpose of a park often precedes, and consequently takes precedence over, the priorities of the managing agency; the management agency exists as a mechanism to fulfill the public purpose. In the private sector, the reverse is true: the managing agency and its concerns take precedence over the areas they manage. For example, the Disney Corporation preceded the formation of Disneyland and Walt Disney World, and these properties exist solely as mechanisms with which to serve the needs of the managing corporation.

The point is important because there can be substantial confusion over goals and purposes. I have argued that the dominant function of public lands is to serve public purposes, and that the managing agency exists as a mechanism to ensure that these purposes are served. This conception clearly subordinates agencies to the public lands and their purposes. Yet, at another level, the agency also is a system with its own functions, mechanisms, and capacities. Like any social institution, an agency, through the individuals it comprises, seeks to grow and develop. As employees are socialized into agency culture, they begin to adopt agency goals and objectives as their own. Thus, public purposes can become masked by agency goals and the question becomes: "How well is the agency doing?" rather than "How well is the public function being served?" This masking is exacerbated by the current use of business metaphors like "customer satisfaction," which push public agencies toward a private-like conception of themselves. It has been pointed out that a customer is a person who buys something from someone who owns it (Dan Dustin, Florida International University, personal communication, 1994). This reverses the situation with respect to public lands where the public is the owner, not the customer. The lands are managed by the agencies in trust for the public and not for agency benefit. While this is clear in charters, laws, and formal policies, I am not convinced that it is as obvious in informal, everyday processes. And decisions about fees and charges often are made in the context of the everyday culture. Consider the following from a study of municipal-level recreation agencies (Brademas & Readnour, 1989; p. 46):

> "Agencies were asked if charging a fee was consistent with their basic philosophies. Three-fourths of the responses were affirmative, with only 10 percent disagreeing. . . . When asked why they charged fees, respondents most frequently stated: 'Tax income does not cover costs.' (75 percent). Agencies also indicated that by charging fees they could provide a larger number of programs (64 percent) and higher quality (62 percent). . . . Respondents were asked if they felt that participants appreciated activities more because they had to pay for the activity. . . . the vast majority (67 percent) felt that paying a fee for

participating in the activity made individuals more appreciative. Only 17 percent did not agree that participants appreciated activities more by virtue of paying for them."

Note the underlying emphasis on agency goals. Although tax income no longer covered costs, most of the agency representatives spoke not of eliminating programs but of finding ways to offer *more* programs of higher quality, presumably enhancing the agencies' importance. Perhaps the failure of tax revenues to cover costs reflects the belief that these programs no longer are important and might need to be reduced in number and scope. One wonders what is the basis for believing that participants appreciate the activities more when they have to pay for them. Even if this is the case, why were no questions raised about those who might have been excluded by the fee? Surely, excluded users are unlikely to feel more appreciative. Again, we must ask how fees will affect the public purpose of the programs rather than focusing on agencies' objectives.

Most designated parks and forests have a formal purpose that is specified in the legislation that created them. Additional statements of purpose often are found in mission statements. Unfortunately, such statements tend to be broad, so it is helpful to be explicit about specific functions. Functions generally fall into three major categories: biophysical, individual, and social. Biophysical functions concern the purposes an area serves within the biophysical suprasystem. For example, a city park may modify microclimates, provide wildlife habitat, filter the air, or help to control water runoff, while a state park or national forest may conserve biodiversity or serve watershed functions. We need a more specific accounting of these biophysical functions within the recreation research literature.

Individual functions are the purposes that a park serves for particular people (or perhaps for small groups). These include such things as physiological benefits, or psychological benefits such as opportunities for achievement or affiliation. Much of the recreation-benefits literature is concerned with individual functions (cf., Driver et al., 1991).

Parks and forests also play significant roles in various social systems. These include the economic or commercial system, education, health care, transportation, religion, and government. While the economic functions of parks have received the most attention, their role in other social systems is a potentially fruitful area of research.

With this background, we can now address the ultimate functionalist question: What is our *public* purpose in providing a particular activity or area, and how will fees enhance or detract from our ability to serve that purpose? Moreover, when the parks are fully priced and able to operate at a profit, generating a return on investment, haven't they essentially lost their public function? Wouldn't the public be better served if they were deaccessioned or at least placed under concession management? Why should the public have to sustain a parks bureaucracy at all?

While some find the idea of closing facilities and deaccessing land confrontational and something to be avoided (LaPage, 1994), I believe it de-

serves serious consideration. First, since the economic condition of the American public has changed dramatically since the 1950's, we should at least entertain the hypothesis that recreation agencies may have overexpanded and in the process acquired some lands and facilities that provide marginal benefits but that still must be maintained at public expense. Many city parks fall into this questionable category (More, 1986). Second, public purposes also can change. After World War II, numerous public campgrounds were built to encourage people to visit parks and nature reserves. But by the mid-1960's the private campground industry had become sufficiently well established to cause some observers to question why government was even involved in this business (Fuller, 1969; LaPage, 1976). While I do not believe the American public wishes to deaccess lands or facilities, it is important that public lands meet public objectives. In our debates over the mechanics of setting fees, we seem to have lost sight of public purpose.

Conclusion: The Politics of Fees

A rational fee policy for public lands must be grounded in the new fiscal reality of the American family. In the mid-20th century, the expectations for economic growth were positive across all classes of American society and government services expanded without the need to incorporate numerous fees. By 1973, however, those expectations had begun to change as many American families faced stagnating or declining incomes. Although most economists believe that this shift can be attributed more to market forces than to government and tax policy (Cassidy, 1995), the uncertainty and anxiety it engendered provided fertile ground for the increasing libertarian calls to limit government and spending. Faced with declining budgets, and with their own agendas to forward, agencies naturally sought alternative sources of revenue and fees became particularly attractive. The current enthusiasm for fees, then, represents a convergence between libertarian and antigovernment sentiment on the one hand and agency self-interest on the other.

Nor is the academic community exempt from these trends. If agencies under fiscal pressure are anxious to develop alternative revenue sources, then reports that speak favorably of fees are likely to be well received and will be "in demand." Judging from the enthusiastic research literature, fees are a virtual panacea for all our problems: they are efficient, they enhance equity, they are the key to accomplishing a wide array of other management goals! Unfortunately, as I have tried to show in this paper, such conclusions often rest on simplistic economic assumptions. As Bertrand Russell (1945) put it: when evaluating philosophic ideas, it is always wise to bear in mind who is paying the philosopher.

Finally, legislators bear equal culpability. Confronted with a public anxious over declining incomes, they argued that cutting government and taxes was the solution. With a strong desire to proclaim No new taxes!, it has been easy for them to focus on the mechanics of the budgetary process—the accounting rather than the purpose. And fees are an easy way out. If legislators turn a collective blind eye, members of the upper classes will not care while

working-class families will be relatively voiceless. What is the difference between a tax and a fee? Not much, except that fees are regressive while at least some forms of taxes (the graduated income tax and, to a far lesser extent, the property tax) are progressive. But who is keeping track of public purpose and the public interest?

In establishing public lands, our forbears deliberately sought a model different from that of Europe. America itself was founded on the premise of the sanctity of the common people, and our public lands parallel this concept. From the venerable Boston Common to the grandest of our national parks, our public lands are constitutive elements of our national identity. As originally conceived, they were to be special places, available to all, and free from aristocrats exacting tribute. Unfortunately, this vision has eroded over the past 30 years. To correct this, we must focus clearly on the public purposes of public lands. Current conventional thinking suggests that government should adopt private-sector methods, but this only obscures the fundamental differences between public and private objectives. Agency self-interest is not sufficient justification for pricing. We must constantly remember that it is the people and not the agencies who own the land.

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