Statement of Issue:

Inadequate private sector (commercial enterprise and non-profit organization) involvement in planning and decision-making for all federally influenced, supported and owned recreational development.

Background:

While most federal involvement in the private sector, except for defense, is in the traditional role of regulator, a much broader and much more comprehensive role has been assumed for recreation. In addition to the function of regulator, the federal government, through some 100 agencies involved in recreation on 85 percent of all outdoor recreational land, also acts as developer. As such, it both stimulates public use and competes with private commercial enterprise and non-profit organizations. This relationship is diagrammed below.

At the same time that these federal agencies provide a wide array of services and facilities for the public, there are no mechanisms for assuring that the private sector could not and should not be involved more heavily, thereby reducing the budgets of those public agencies at the same time providing a greater amount and diversity of services.

Some of the key problems resulting from the lack of private sector involvement are:
1. **Excessive constraint on concessioners.** In many instances, particularly within national parks, Corps of Engineer parks and Forest Service areas, concessioners are not allowed to exercise sufficient control over their enterprises to operate on normal business principles—advertising, promotion of conventions, development of new services or products, expansion into new markets, elimination of non-profitable services. While certain park policies should dominate park management (conservation and protection areas) they should not dominate or preclude business success of service centers.

2. **Actual competition with private sector.** In many instances, especially for camping, direct competition with the private sector, especially private commercial enterprise, has become a critical issue. While extenuating circumstances of the site—excessive travel to services, seasonality—sometimes preclude independent commercial services, many sites are economically feasible for private commercial enterprise. Important is the relationship of government services in an area that are or might be directly in competition with private commercial enterprise.

3. **Lack of division of functions to allow entrance of private sector.** As the federal agencies allow the public to use their lands for recreation, this is usually done under other than recreational policies. Therefore, it is not usually based upon sophisticated user or marketing research. As a consequence, the user's desire to purchase souvenirs, clothing, travel and recreation supplies, as well as food services, entertainment, transportation and lodging is inadequately provided for, or, in some instances, overtly prohibited. Often this is due to excessive application of conservation and preservation philosophies that assume all sites within a park are homogenous. Some sites, especially in heavily-visited parks, may demand high-intensity urbanized commercial development. Furthermore, some historic and cultural sites can be owned, developed and managed equally well by non-profit organizations.

4. **Federal policies that shut out the private sector.** A present policy of the Army Corps of Engineers, the largest outdoor recreation developer in the world, demands that all new recreational reservoir site development be given 50 percent local support. As a consequence, little new provision for recreation is being done because local units of government cannot provide this matching support. Therefore, the public is denied these additional recreational opportunities. The policy does not allow a potentially viable alternative—the entrance of the private sector.
5. Lack of planning to avert negative spillover impacts. Contrary to general belief, federally-supported recreation areas can have dramatically upsetting social and economic impacts. The creation of a new reservoir, for example, can stimulate visits by millions of people who, in turn, create the need for lodging, food service, retail sales, entertainment and guide services. However, the initiating federal agency seldom guides (and often is legally constrained from guiding) adjacent development or assisting local governments to do so. Frequently, the commercial land development outside the park or reservoir area produces erosion of esthetics, erosion of natural resources, congestion, social conflict and lack of diversity and coordination with existing development. In addition, the federal agency—the cause of the surge of recreational users—seldom assists local jurisdictions in support of expanded infrastructure, such as power, water, waste, police, fire protection, medical aid. 

6. Lack of stimulation of private recreation development. At present, there is no check-point for spiralling governmental recreational intervention. Traditionally, federal concerns were only those that were of national importance. From the standpoint of national welfare—provision of recreational opportunity, employment, incomes, jobs, taxes—the support of non-governmental land development for recreation is as important as support of federal agency recreation. However, at present little support is given either the private commercial enterprise segment (often considered suspect) or the non-profit segment of the private sector in national policy, research, education and coordination. For example, the state comprehensive outdoor recreation plans, supported by the federal agency of the Bureau of Outdoor Recreation, seldom include the planning of development by the private sector. Hence the outcome is heavily biased toward only governmental support of recreation development.

Conclusion:

It should not be concluded that federal agency development of recreational lands is not needed but rather that this is only one aspect of a pluralistic development sphere. Equally important, but generally ignored at the federal level, is the opportunity for development by the private sector, which includes both non-profit organizations (historical societies, conservation societies, youth groups, church groups) and commercial enterprise (theme parks, camps, marinas, lodging, food service, retail sales, transportation). In the acquisition, planning, development and management of federal recreation lands, needed is new federal policy that not only allows but insists upon input of the private sector. This input should assist in determining the extent to which more, not less, of the burden of the provision of recreation in the United States, at all levels, can be assumed by the private sector. Properly implemented at the federal level (and stimulated at the state level) this realignment of responsibility could free increasingly scarce public funds to be applied to those recreational needs that cannot or are not likely to be served by the non-government sector.
