State asset sales

Sir,

Peter Farley’s opinion of the merits of selling the remaining state-owned exotic forests is an interesting display of rhetoric, but he produces no hard evidence to support his extravagant claims. Rather he appears to be working off a grudge against the Forest Service where he was employed for a number of years as an engineer: one of those well-meaning people he refers to, who produced such dreadful results.

His case might carry some weight if he could produce details of the costs and returns from the East Coast project and if he could supply information supporting his claim of the “substantial ongoing financial return” which has followed the previous sale of forest assets. It would also be helpful if he could give details of “the uncommitted Kaingaroa resource”. Without a substantial level of overcut there will be no increase in supply from the Bay of Plenty forests until 2005 and there is sufficient industrial capacity in place to handle up to and beyond this point.

Perhaps Farley’s article was written as a tongue-in-cheek approach to evoking controversy. It is hard to give it any credibility as a rational comment on the sale of forest assets.

G. M. O’Neill

Course in Tropical Dendrology

Sir,

I am writing to you regarding a class which might be of interest to members of the NZ Institute of Forestry or readers of their magazine. I recently took an English language class in “Tropical Dendrology” (tree and understorey plant identification) from the Tropical Science Center in Costa Rica. The class was very well taught and would be helpful to anyone who wants to identify plants in complex ecosystems. Unfortunately, the Tropical Science Center was disappointed because they did not get many students. I encouraged them to offer the class one more time and said that I would help with getting word out about the class. Thus, I am writing to you. I would appreciate it if you can work mention of the next class into the NZ Institute of Forestry’s magazine or otherwise pass word on about the class to their membership.

The next English language class in “Tropical Dendrology” will be offered on June 24 – July 12, 1996 in Costa Rica. Potential students may contact Dr Humberto Jimenez Saa at the Tropical Science Center in Costa Rica at (506) 225 2649 or me in the US at (541) 389 5978 for additional information.


Please feel free to contact me with questions.

Jim Spitz

Forestry Consultant (MACF)
60045 River Bluff Trail
Bend, Oregon 97702, USA

Hyphenated Douglas-fir

Sir,

I have, during the past year (and longer), enjoyed and learned from reading New Zealand Forestry and, among other things, your contributions to the developing issue of responsible and professional forestry here.
I am convinced by the logic. It was indeed my editorial pen that removed the hyphen. My apologies, and you may consider the editorial policy duly changed. Ed.

Interest rates: a reply to G. Fischer

Sir,

I apologise for not replying earlier, but I have only just seen Geoff Fischer's letter (NZ Forestry, November 1994) in reply to a previous letter of mine (NZ Forestry, May 1994).

Historical Aspects of Interest Rates

Concerning Mr Fischer's remarks on historical aspects of interest rates and their effects on silviculture: I published a drier review of interest rates for the period from the early 19th century to the mid-1960s in "The Rate of Interest in Forestry", FRI Econ. of Silviculture, Report No. 9, Jan 1969, which included 50 references — it could have had double this — and another on "Profitability Criteria in Relation to Forestry", FRI Econ. of Silviculture, Report No. 8, in the same month, with another 50 references. I did not stop work on these subjects, and present a brief summary below, as I doubt if I can find anyone likely to sponsor a paper on the topic, or on many others I have available.

The earliest record is from about 3600 BC. Before Present, when the Babylonians not only manipulated compound interest, but in the example cited, used 20% ("Ancient Babylonian Algorithms") D. E. Knuth, Communication of the ACM 15 (7), July 1972). I am indebted to H. Fairburn, who sent me this reference.

Then the Greeks are well recorded: "... the Temple of Delos for centuries lent at 10%, regardless of changes in the value of money. However the interest curve may be given so far as known. In Alexander's reign [this would be about 2350BP] the usual rate was 12%, omitting the risky maritime loans which ran much higher. By about the 22nd century BP the rate had fallen to 10% although ... 8.3 and 6% (this last, apparently a political favour) also occur. In the second half of the 21st century BP we meet 7 and 12%,..." (from Hellenistic Civilisation, W.W. Tarn, Arnold, 1927).

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Inevitably it was Aristotle who frowned on any interest rate at all, "of all modes of getting wealth this is the most unnatural" — a view clearly retained by