Until about the time of the National Environmental Protection Act (1970) the main decisions on mining were economic decisions, made in the marketplace.

Geologist C. C. "Chuck" Hawley, executive director of the Alaska Miners Association, writes in the Alaska Journal that since that time mining decisions have become a matter of public debate. All debaters are given equal rights and standing, adding fantastically to costs without substantially increasing benefits to the miner or the public.

Government regulatory practices, as well as regulations themselves, are now major factors in planning. Mining companies hesitate to plan mines in an area unless they know the direction regulatory bodies will take.

It is necessary for mining companies to have some stability to plan ahead. It can take as long as fifteen years from the beginning of planning of a large-scale mining operation until the operation starts to produce.

Mineral land tenure must be certain for a mining company to start development. However, because of the nature of mining law, unpatented claims in Alaska are jeopardized by the federal government. The law protects tenure only against private parties, not government.

President Carter's withdrawals under the Antiquities and BLM Acts have forced federal land managers to examine the validity of claims as of the date of withdrawal. The examination is extremely rigorous and most mine operators were unprepared for such an examination at the time of withdrawal.

On lands not yet withdrawn the BLM and the U.S. Forest Service emphasize the Wilderness category provisions of the 603 and RARE II programs, thus severely limiting mineral development.

On state and native lands any mining deal will be uncertain until title is vested in those lands.

Mining companies believe that the current taxation attack on energy company profits may be one day directed toward them. They fear excessive taxation when the mines they want to develop begin to produce.

The Foundation's board of trustees subsequently met in Sacramento and agreed with RDC that resolution of the issue could have national significance, a criteria considered by PLF in choosing cases its attorneys undertake. Papers have been filed by PLF to represent PLF to represent:}

Continued next page
The American Petroleum Institute reports
that petroleum industry earnings are slightly above those of other U. S. industries for the
first nine months of 1979. They have been al-
most the same as those of all other U. S. indus-
tries for the last decade.
Analyses by non-oil institutions demon-
strate a need for $1 trillion for exploration and
research, development and demonstration
agency already exists within the Department
of Energy (DOE).
According to the Chase Manhattan Bank,
“We support the orderly development of syn-
fuels . . . it makes sense for the govern-
ment to provide the impetus for an accelerated
effort to develop synfuels.
”

MEETINGS FOCUS DEALERS SUPPLUS REVIEWS

On December 6 the Council brought
together members of the banking community
with legislators and commissioners. In a
two-hour question-and-answer session the panel dis-
cussed the current state of fiscal affairs and
what short- and long-term solutions existed.
Panel members included Frank Murkow-
ski, President, National Bank of the North; E.
Thomas Pager, Senior Vice president, Na-
tional Bank of Alaska; James E. Johnson, Vice
President, First National Bank of Anchorage;
Chuck Webber, Commissioner of Commerce;
Tom Williams, Commissioner of Revenue, and
Senator Arliss Sturgulewski.

The panel discussion was an extension of a
previous presentation by the bankers alone on
what should be a definitive, long-range economic
plan for Alaska. In the past there had been too
much emphasis on short-term solutions and a
more enlightened business climate.

Who Gets Oil Industry Profits?

The outlook for the exposition is rosy.
Uchitel is gathering strength both inside and
in foreign countries. Only last week the Muni-
cipality of Anchorage pledged over $250,000
for the project. Individuals, corporations and
countries have been signaling their interest over
the past months. Uchitel is now concentrating
on the Anchorage area to add Alaskan citizens
to the fundings.

The project is expected to come out 10 to 20
million dollars if the hole. But the impact of bringing
thousands of tourists into Alaska would result in the influx of more than
$500,000,000 for support industries: hotels,
restaurants, taxis, retail stores and other
tour-related industries.

Alaska LNG: Lens of the World

Pacific Alaska LNG project. The FERC says the firm must have 1.5 to
natural gas reserves committed before proceed-
ing with Phase 1 construction. Phase 2 can proceed if they only have 50% of reserves or
2.4 tcf.

FERC indicated that the State would be in a
position to place any time during the project to
raise royalty gas in kind without going back to
FERC for approval. Therefore, royalty gas
committed to the project could not be included
in supply figures. Because of this, PacAlaska
does not want the royalty gas (70-85mmcf/d)
until Phase 2.

Construction at Nikiski is projected to begin
in 1981 if all goes well.

In a discussion of the project’s delays and
money already invested – $200 million – Bill
Coles compared the contract whereby Japan was
to buy Indonesian gas. The contract was signed
in 1973, fabrication construction and gas explora-
tion by 1977. In contrast to that, PacAlaska con-
trasted with Indonesia in 1972 and still is years
away from taking gas from that source.

DOE’s Pacific at the Royalty Board meeting on
November 30 Ken Dorking and Bill Con reported on
the status of their Pacific Alaska LNG project.
The FERC says the firm must have 1.5 to
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tion by 1977. In contrast to that, PacAlaska con-
trasted with Indonesia in 1972 and still is years
away from taking gas from that source.
Alaska fishermen and fish processors need more economic and technological information to develop their business and other under-utilized fish resources, according to Walter Jones of the National Marine Fisheries Service.

He writes that information is necessary for a fisheries development plan. A plan is necessary to obtain investment capital and government assistance. Industry, native, boat builders, suppliers, investors and community and government representatives should help design the plan.

Information would come from past and current research and development projects in groundfisheries. Jones suggests that the Alaska Fisheries Development Foundation (AFDF) gather and publish the information periodically.

For the future Jones proposes a plant that would develop and commercially evaluate new equipment and new harvesting, processing and marketing methods.

Ron Jensen, AFDF president, states, "I hail the (Carter) administration's endorsement of a national fisheries development policy." The endorsement is "the shot in the arm the industry has been looking for."

He stressed that the policy must make provision for regional differences, that the industry itself must determine the direction of development and that government assistance must be free of layers of bureaucracy and months of delay.

He believes that both the industry and government should pay for fisheries development but that government should provide more money in the early stages of development.

Alaska is the wealthiest State in the U.S. in terms of natural resources and perhaps even in dollars, according to Bob LeResche, Commissioner of Natural Resources.

LeResche spoke in October to 80 foreign journalists who were on a four-day Alaska tour sponsored by Sohio. As reported in the Anchorage Times, he said Alaska has some 30 percent of the country's oil and gas reserves with 40 billion barrels of oil and 90 trillion cubic feet of natural gas. The State has about 60 percent of the nation's proven coal reserves, much of which is accessible. The state also has significant quantities of hard rock minerals with traces of 28 of the world's 32 strategic minerals.

In describing our dollar wealth LeResche said that by the late 1980's the State government will have between $14 billion and $18 billion in its permanent fund.

The Anchorage Times editorial comments, "We are doing remarkable things ... in controlling pollution and we have been for the last ten years. If there is one thing that irritates me ... it is the lack of understanding perpetrated by those who report on ... how much progress we have made ... in cleaning up the environment."

William Rockefeller, former Director of the Environmental Protection Agency, said, "What this windfall profits exemption amounts to is economic warfare against the rest of the country. It will accelerate the already current problem where the economic strength of the country is being drained out of the northeastern and north central regions."

Sen. John Danforth, Missouri Republican, said, "The truth is we can control the problem as a society and in fact we are ... We are doing remarkable things ... in controlling pollution and we have been for the last ten years. If there is one thing that irritates me ... it is the lack of understanding perpetrated by those who report on ... how much progress we have made ... in cleaning up the environment."

Carol Doucet told the Anchorage Chapter of Commerce recently that an average two-bedroom house with 1,144 sq ft, finished, an unfinished downstairs, and a two-car garage now costs $96,600 in Anchorage. A down payment of $14,200 is required. The family income must total $58,000 to qualify for the necessary financing. This time last year that same family received at Valdez, received at Prudhoe Bay, July 28, 1977:

WALNUT PLAQUES Distinctive and elegantly designed, each plaque is numbered for one of 799 pipeline miles. The map of Alaska is carved in bas relief, set off by inlay brass corners and inscribed plates, raised lettering and miniature pipeline containing Prudhoe Bay oil. Size: 12" x 14" Cont: $200

DESK WEIGHTS Clear lucite desk weight measures 4½ x 3½ x 1½ inches with red base. Tube of oil, pipeline mile and inscription center. Cont: $30

True collectors' items, only 799 of each were manufactured. Register of owners maintained at Resource Development Council. Send check or money order to Resource Development Council, Box 516, Anchorage, Alaska 99510.

The Anchorage Times editorial comments, "It's very hard to say how much coal we have, but if we talk in terms of what we think is there (Alaska), 1.8 to six trillion tons . . . that's the energy equivalent of 73 Prudhoe Bays."
The following Bureau of Labor Statistics list shows living costs of a hypothetical family of four at three budget levels. Personal income taxes take a big bite out of an Anchorage resident's salary.

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Anchorage</th>
<th>U.S.</th>
<th>Anchorage % of U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Lower Budget</td>
<td>$19,030</td>
<td>$11,546</td>
<td>166%</td>
</tr>
<tr>
<td>Food</td>
<td>4,547</td>
<td>3,574</td>
<td>127%</td>
</tr>
<tr>
<td>Housing</td>
<td>4,028</td>
<td>2,233</td>
<td>216%</td>
</tr>
<tr>
<td>Transportation</td>
<td>1,544</td>
<td>856</td>
<td>180%</td>
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<tr>
<td>Personal Income Taxes</td>
<td>2,540</td>
<td>935</td>
<td>272%</td>
</tr>
<tr>
<td>Medical</td>
<td>1,818</td>
<td>1,065</td>
<td>171%</td>
</tr>
<tr>
<td>Total Intermediate Budget</td>
<td>20,329</td>
<td>18,622</td>
<td>141%</td>
</tr>
<tr>
<td>Food</td>
<td>6,641</td>
<td>4,609</td>
<td>122%</td>
</tr>
<tr>
<td>Housing</td>
<td>8,817</td>
<td>4,182</td>
<td>163%</td>
</tr>
<tr>
<td>Transportation</td>
<td>2,071</td>
<td>1,572</td>
<td>132%</td>
</tr>
<tr>
<td>Personal Income Taxes</td>
<td>4,884</td>
<td>2,738</td>
<td>178%</td>
</tr>
<tr>
<td>Medical</td>
<td>1,820</td>
<td>1,070</td>
<td>170%</td>
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<tr>
<td>Total Higher Budget</td>
<td>38,406</td>
<td>27,420</td>
<td>140%</td>
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<tr>
<td>Food</td>
<td>6,944</td>
<td>5,806</td>
<td>120%</td>
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<tr>
<td>Housing</td>
<td>9,909</td>
<td>6,345</td>
<td>165%</td>
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<tr>
<td>Transportation</td>
<td>2,447</td>
<td>2,043</td>
<td>120%</td>
</tr>
<tr>
<td>Personal Income Taxes</td>
<td>10,022</td>
<td>5,739</td>
<td>175%</td>
</tr>
<tr>
<td>Medical</td>
<td>1,884</td>
<td>1,116</td>
<td>169%</td>
</tr>
</tbody>
</table>

*Bureau of Labor Statistics

DELTA BARLEY PROJECT UPDATE

Alaska's first entry into the barley marketing business got off to a slow but apparently successful start. Nov. 16 when the state sold 140 tons of the grain at a public auction in Anchorage.

Two bids were received, one from Alaska Mill & Feed buying 80 tons at $131 a ton and Matanuska Maid picking up 60 tons at $130 per ton. The firms will use the grain as feed for livestock.

Since 1977, when the 22 farmers bid for the agricultural rights of 60,586 acres divided into tracts ranging in size from 1,918 to 3,877 acres, the state has pumped in approximately $13 million, mostly in the form of loans. Some 30,000 acres have been cleared, while 260 acres are in production, growing barley, wheat, potatoes, rapsseed, Red Fescue grass, Nugget Blue grass, oats, peas, sunflowers, honeybees and bison.

Bob Pollock, state coordinator for the project, said he was pleased that it was a high-grade product. "I'm excited. This is the first time we've had this quality barley," Pollock said. The project has provided employment for 72 people. The project's storage capacity is now 350,000 bushels. Each acre now yields between 60-69 bushels.

Another auction is being offered Dec. 17 at the MacKay Building in Anchorage. Some 1,000 tons are being exported to Taiwan and another 200-400 tons will be sold to the farmers' cooperative. The shipment to Taiwan is expected to leave Alaska in January, and a price has not yet been set.

GO BIG OIL

Recently, a coalition of interests spearheaded by Ralph Nader, Barry Commoner, and other prophets of doom conducted a nationwide effort to protest the high cost of oil products, and to demand that the oil industry be, in effect, nationalized.

Though the effort was less than spectacular, it did receive a disproportionate amount of media attention, and is the harbinger of things to come, not only for the oil industry but for other corporate interests.

The oil protest day was significant because it was the opening shot in a long-festering attack on the private sector and the free market system in the U.S. Though the protest day participants included many representatives from organized labor, it really did not receive the support of either the rank and file of the vast majority of labor, or even the rank and file of the specific unions involved.

It mattered little to the leadership of the protest who advocates corporate control that the object of their opening shot, big oil, has during the past three decades been so effective in locating, transporting and producing oil products or that the American public has and still does enjoy, the lowest price oil products in the world. Additionally, the "Stop Big Oil" group who demanded that oil prices be dropped on behalf of the poor and elderly would, if their demands were met, actually undermine this nation's efforts to use less oil, drop the price of gasoline, and have exactly the opposite effect because an unplanned consumption of oil products would further cripple this nation's sagging dollar and add to the real grievance of the elderly and poor; that is the devalued dollar.

In reality the oil industry contains thousands of firms, intense competition, and is dominated not by a few large firms, but by the strange-hold which the owners of the basic resource, that is, Mexico, Saudi Arabia, et. al., have on the oil industry's ability to manage crude oil supply.

If the oil companies are "ripping off the people" as Nader and company contend, then they should be prosecuted to the full extent of the law; however, to promote unfounded charges and the government control of a resource as essential as petroleum is not only unwise, but irresponsible.

This country should support its corporate community and the free market which makes it possible. For when it comes to delivering the goods, no other system even approaches America's free market success. We need to preserve that system; we need to preserve the corporate mechanism, and that includes the oil industry.

Environmental Impact editorial Sept/Oct 1979

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HOMO TO SAVE GASOLINE

In its third quarterly newsletter, Exxon USA advises: Observe the 55 mile an hour speed limit. If everyone did, this one factor alone would cut U.S. gasoline consumption by 200,000 barrels a day. Most cars get 20 percent better mileage at 55 than at 70 mph.

Drive at a steady pace. Press lightly but steadily on the accelerator so that you flow steadily on the accelerator so that you flow.

Avoid idling, which gets zero miles to the gallon. Warm up your engine in the morning by driving slowly for a few minutes. Turn off the ignition when you expect to wait more than 30 seconds; restarting takes less gasoline than idling.

Take a vacation at home. Get rid of extra car pool weight. at work. Plan errands ahead ... when not in use. Remove drag-causing fixtures, when not in use. Remove drag-causing fixtures.

Get a light, smaller, newer car next time. The best fuel economy is associated with low vehicle weight, small engines, manual transmissions, low axle ratio and low front area (the width of the car times its height).