RDC strategies for advancing economy gain endorsements

Plan calls for immediate action


Brownfield warned that Alaska can no longer ignore its economy and the waste of human resources caused by high unemployment. He said state adoption of the strategies would measurably reduce Alaska’s historically high unemployment rates.

Brownfield noted that the RDC report is targeted to enhancement of Alaska’s resource industries, with the understanding that growth of the state’s secondary or service industries would naturally follow basic industry expansion. He pointed out that the recommendations for necessary actions outlined throughout the document reflect realistic assessments of what could be accomplished between now and 1990.

In addition to its main direction, each industry strategy addresses issues relating to land ownership and management, regulation, permitting and environmental protection, incentives and taxation, infrastructure financing, education and employment, and science and technology.

Among its many recommendations, the report urged that the state support opening the Arctic National Wildlife Refuge to oil and gas leasing, exploration and production. It also suggested that local, state and federal governments commit to an effective regulatory framework.

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Gubernatorial candidates respond to Council’s Plan

Gubernatorial candidates Joe Hayes, Bob Richards, Steve Cowper, Alistar Stripulski and Arliss Sturgulewski have commended the Resource Development Council for its newly released strategy for strengthening Alaska’s economy.

The Council believes the actions outlined in the report, New Strategies for Advancing Alaska’s Economy: 1986-1990, “are the first steps toward building a strong, diversified economy. The 45-page document reveals strategies for advancing Alaska’s oil and gas, minerals, wood products, agriculture, fisheries and tourism industries. Recommendations for advancing Alaska into international trade and industrial development and power development are also listed.”

Republican candidate Bob Richards enthusiastically endorsed the report as “the finest economic development program ever devised for Alaska.” Richards said the strength of the report “lies in outlining specific action plans for each of Alaska’s major industries.”

Joe Hayes said the Council’s recommendations hold the key to successful development because they call for specific actions in which government provides land, resources, tax incentives, infrastructure and a climate attractive to the promotion of resource development by the private sector.

Hayes supported other recommendations such as opening the Arctic National Wildlife Refuge to oil exploration. He also sup-
Wilderness Society's Tongass report "assailed"

It was good to see the Wilderness Society get its comeuppance over the distorted, misleading information and photos contained in an April 1986 publication of a press release by a group of members nationwide. U.S. Senator Ted Stevens, the Anchorage Times, the Ketchikan Daily News, the Alaska Loggers Association and the Resource Development Council have all outspokenly challenged the Society's inflammatory statements about the "destruction" taking place in Alaska's Tongass National Forest -- particularly those contained in its supposedly unbiased report, "America's Vanishing Rain Forest.

For some months now the Resource Development Council has been dismayed that members of Congress are receiving hand-delivered copies of America's Vanishing Rain Forest from Wilderness Society devotees, but very little to counter the inaccuracies it represents. Why?

Enter the Andrew W. Mellon Foundation, generous contributor of a purported $300,000 to the Wilderness Society (it could have been more -- the Society isn't saying) to do a study on timber management in the Tongass. Wouldn't it be grand if the Alaska Loggers Association and the Resource Development Council had even a fraction of that money to present a more balanced view of what's going on in the Tongass?

Is the report unbiased? Ask Carl Nutter, a nationally respected consulting forester who agreed to serve on the Society's review team when the report's draft was released. To this day, in part, what Newport had to say in a March 14 letter to Steve Richardson of the Wilderness Society. (See June Resource Review Tongass article.)

Readers should keep these points as the debate continues on the Tongass management issue:

1. The Executive Summary is strongly worded, mixes facts with opinions, struts, and generally advocates a Wilderness Society agenda which existed before any study results from this project. It doesn't sound like a summary of a sound objective study. It seems aimed at stirring up the constituency. It contributes little or nothing to what the Society's acceptance of what it was told without sufficient effort to sort out fact, fiction, opinion and speculation to reach sounder conclusions.

2. Tongass timber is given very close and, I would say, biased scrutiny regarding every aspect. It is put to tests and comparisons not necessarily representative of its future benefits, and relationship to lower 48. British Columbia, Chile, etc. Tongass timber is condemned as an uneducated process on all counts. Yet, no such tests or comparisons are made of the non-timber resources of the Tongass which are of utmost importance but the same Congress was utterly ignorant, or stupid, when it directed the Tongas to make specific efforts and expenditures for a timber program.

3. The total effort is unbalanced. "The Forest Service is quoted frequently and at length to support the Society's contention that the timber program, past and present, is a costly effort to maintain a dying patient. Yet, the same Forest Service is castigated and not quoted, for not following directly the outsider advice of single-interest non-timber groups such as SEAC and ADF&G. Most readers will recognize this lack of objectivity. It results from the Society's acceptance of what it was told without sufficient effort to sort out fact, fiction, opinion and speculation to reach sounder conclusions.

John Galea, a forester and general manager of the Alaska Loggers Association, has written the most provocative of its grant to the Wilderness Society, enclosing Newport's letter and a full-page ad the Society placed at a cost of around $35,000 in the New York Times. Headlined: "Our Biggest National Forest is Getting Beaten to a pulp," this ad concludes with a request that Americans contact their congressmen now... "Or, if you want to do even more than that, contact your senator...and let them know you've been taking a beating long enough. Now it's time to fight back."

Good for John. He's asked that Mr. Newport's letter and the ad be circulated to the membership.

The regional director of the Wilderness Society in Alaska, in response to the Anchorage Times editorial, rebutted..."...the Wilderness Society has failed in its attempt to delegitimize the Tongass with the hard facts and figures found in its yet unassailed report, America's Vanishing Rain Forest."

I think we can now consider it "assailed."

Resource Development Council, Inc.

The Resource Development Council (RDC) is Alaska's largest privately funded economic development organization working to develop the state's potential. The Council's mission: to create a broad-based, diversified economy while protecting and enhancing the environment.

RDC invites members and the general public to attend its weekly board meetings and encourages Alaska residents to contribute to its work. Additional information is available on request by calling 276-2703.

Executive Committee Officers

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RDC's Business Office is located at 807 G Street, Suite 200, Anchorage.

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Material in the publication may be reprinted without permission provided appropriate credit is given. The dedication ceremony on July 25 will be preceded by two days of community activities, including an open house featuring appearances by Mary Willis, a display of the Jeannette 7 artificial heart, and a variety of educational activities and displays. For further information, contact Lyn Whiteley at 276-1131.

By implementing its timber recommendations, the Council said Alaska could more than double the output of its wood products industry by 1990, adding over one billion dollars annually to the state's economy. The report stated that since the 1970s, Alaska's yearly sustainable yield of timber harvest was required to reach that goal.

Timber

(Continued on page 4)

Anchorage, Anchorage, Alaska 99510 - (907) 276-0700.

Humana expands to meet Alaska's needs

Demonstrating its commitment to Alaska and its people, Humana Hospital-Alaska is dedicating a new five-story tower and expanded facilities July 25 in ceremonies marked by the appearance of Olympic gold medalist Mary Lou Retton, announced Mary Willis, executive director of the Anchorage hospital.

"Our new facilities respond to the needs of Alaskans today, and we are delighted that the Willis' say can be a model for the kind of care in a variety of specialties, keeping the patient's individual needs as our top priority.

The expansion project, started in March 1985, brings the hospital's total number of acute care beds to 202.

"The official dedication of these expanded facilities and our new five-story patient tower, along with the renovation of the adjacent Humana Medical Plaza, which includes the $120 million investment Humana has in Alaska," Willis says, Humana Hospital-Alaska employs more than 700 Alaskans, with annual gross revenues of $61.3 million.

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Strategies

(Continued from page 1)

reforestation program that eliminates duplication and multiple handing of permits.

The report concluded there are no new oil taxes and that the state estimate land use plans and exert its influence in a strong manner on federal land management plans for multiple uses and prevent unexplored lands being placed in wilderness classification.

The class telephone more land available for various types of oil, mining, timber and other commercial development in an environmentally sound manner is the common thread that runs throughout the report.

About 60 percent of all federal land in Alaska is withdrawn from mineral entry; the report cited. In lieu of high mineral potential that remain open, great difficulty is encountered in developing mineral resources because of the land planning process and statutory and regulatory requirements. The Council said similar lands closures and regulatory difficulties have greatly suppressed attempts to tap Alaska's timber, oil and gas and agriculture potential.

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Timber

(Continued on page 4)

The timber, and the full cost of these roads is charged against first timber sales.

Once the roads are in place they can be used for future development of the timber as well as later timber harvests. Many timber roads have become part of the state highway system and have become essential aspects of community development, recreation and tourism.

Rowland stressed that his husband, her co-workers and other employees of the Alaska forest products industry from South-east to Interior Alaska are conservationists in the true sense of the word.

"Their harvest the mature crop of trees so healthy young trees can regenerate and perpetuate forever the many uses of the forest," Rowland said.

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Gubernatorial Candidates endorse plan

(Continued from page 1) The Council's recommendations on permit and regulatory reform and its taxation policy, Hayes supported closing restrictions on resources used in mining.

Democratic Steve Cowper labeled the RDC report as "a wealth of good ideas." Cowper agreed with the Council in that international market conditions show the need for government regulatory reform and an economic environment conducive to the formation of new small businesses.

Senator Artis Sturgulewski said the RDC "agreed with the Council in that international market conditions show the need for government regulatory reform and an economic environment conducive to the formation of new small businesses."

Sturgulewski supported the adoption of site-specific limits on turbidity and suspended solids where streams are naturally turbid or where downstream uses, if any, would not be unreasonably impacted.

After examining the report, Walter Hickel said the Council has "focused on some of the most serious economic challenges facing Alaska." Hickel said the Council's report "provides a balanced approach to many of the tough economic diversification issues" facing Alaska.

Other gubernatorial candidates are reviewing the strategies and have been asked by RDC to support them as reasonable guides to improve the competitiveness and productivity of the industries addressed. Alaska communities have also been asked to endorse the strategies through official actions and to coordinate the strategies with their economic development planning.

In preparing the strategies, the RDC took special note of the dependence of industry and government representatives over the past year to identify constraints to expanding Alaska's economy and actions that would remove those constraints.

"The final product is the result of substantial debate and compromise," according to the Council's executive director, Paula Eslely. "These new strategies provide a well-conceived framework for actions and policies to advance our economy at a time when we're seeing an economic slowdown across the state. We are electing to focus on the more important matter or strengthening the strategies and have been asked by the Alaska's long-range problems cannot be solved by short-sighted, politically expedient solutions. Our leadership must look beyond the short-term with a vision not just "down the street," for that's how greatness is achieved. Otherwise, we'll find ourselves in a never ending closed loop, reinventing the wheel."

Let's start by filling that "half-full" glass of water rather than watch the remainder of the "half-empty" glass evaporate before our very eyes.

Environmentalists claim that the wilderness values of ANWR's coastal plain outweigh that of any oil and gas that may be present. But, environmentalists have not found a practical way to remove the ANWR reserves from exploration or development.

ANWR may hold the key to Alaska's future prosperity

Sixty-five miles west of Prudhoe Bay lies a wind-swept and nearly featureless arctic plain. The land appears identical to that which surrounds the Prudhoe Bay oil fields. Like Prudhoe Bay, it is home to large numbers of caribou and other arctic wildlife and birds. Beneath this coastal plain are geologic structures which hint of immense oil and gas deposits, perhaps greater in size than those of America's largest oil fields to the west. From an Alaskan standpoint, oil exploration of this region should proceed in a timely fashion since deposits, perhaps greater in size than those of America's largest oil fields to the west. From an Alaskan standpoint, oil exploration of this region should proceed in a timely fashion since

The awesome oil potential of the ANWR structures has been known for decades. After

An all-out effort to forever remove the ANWR reserves from exploration or development is a timely fashion since what lies below the surface could hold the key to a prosperous Alaska economy in the opening decades of the 21st century.

However, opening the 1.5 million acres of coastal plain to oil and gas exploration, development and production promises to be the most controversial issue to confront Alaska since the great debates of the 1970s over the Alaska Lands Act. It doesn't matter that the remotely rich plain is only a short hop from Prudhoe Bay, requiring no extensive transportation system for development of any fields discovered in the area. What does matter is that the coastal plain falls within the 18 million-acre Arctic National Wildlife Refuge (ANWR). Environmentalists claim that the wilderness values of ANWR's coastal plain outweigh that of any oil and gas that may be present, despite national energy security requirements. They have launched an all-out effort to forever remove the ANWR reserves from exploration or development.
Alaska loggers proud of their record

A combination of factors, not the least of which was the withdrawal of prime timber land, has been working together to create hard times for the Alaska timber industry during the six years since passage of the Alaska National Interest Lands Conservation Act.

"Over 50 percent of my friends and neighbors have lost their jobs and have had to leave the timber industry in Southeast Alaska," said Pat Rowland, president of Alaska Women in Timber. "Any tampering with the already-contentious Alaska Lands Act would only further hurt the Alaska timber industry and the approximately 1,500 families that directly depend on timber jobs."

Loggers throughout Alaska are on guard this summer as powerful environmental groups backed by large national interests launch bitter attacks on the 1980 congressional compromise to manage the Tongass National Forest. The entire demand for Southeast Alaska jobs and the Southeast Alaska economy. The agreement also established an annual timber harvest level.

Led by the Wilderness Society, environmentalists are trying to eliminate the key element of the agreement, claiming loggers are leveling the forest and that the U.S. Forest Service is losing money on managing timber sales.

"We know our woods and what the land can produce," said Kristen Held of the Alaska Loggers Association. "We are proud of the job we do and that we have been able to harvest mature timber in the area for 16 years."

"We are proud of the job we have done with a truly renewable resource," said Held. "Only 10 percent of the forest is harvested at any one time, with no landholding who export round logs," noted Tenton.

"Our forest industry in Alaska has been built over the past 30 years on solid ground that is on a 100-year rotation," she added. "The timber industry has virtually destroyed over the past four years by restrictive regulations and the drop in Alaska exploration expenditures. According to Ross Schaff, former Director of DGSF, mining firms have cut exploration expenditures in Alaska from $75 million in 1981 to less than $10 million last year."

The DGSF report said unexplained regulatory problems were the culprit behind the severely depressed placer industry. The Alaska Miners Association believes a bill passed by the Legislature this spring would have provided some relief to placer miners, but Governor Bill Schneider vetoed HB626, a water quality bill which would have required miners to discharge water cleaner than they received it.

The Association has also expressed deep concern with the state administration's refusal to intervene on behalf of Alaska's mining industry in the Sierra Club lawsuit against the Bureau of Land Management. If successful, the suit will stop all mining on federal BLM land for several years, dealing a devastating blow to the industry and its supporting services, which employ thousands of Alaskans.

The Fairbanks Chamber of Commerce agrees with the Alaska Miners Association that private interest groups and unreasonable government regulatory restrictions have brought the mining industry to a near standstill.

In recent full-page ads, the Chamber said that with each new restriction, Alaskans feel the pinch of decreased state revenues. "Since the discovery of coal and other mineral deposits, the mining industry has offered us economic diversification," the ads state. "But because of a depressed metals market and constant regulatory harassment, mining revenues have dropped to marginal levels."

The Chamber warned that the mining industry appears on the verge of extinction, just when Alaska needs it the most.

The Resource Development Council, the Alaska mining organizations and the Fairbanks Chamber of Commerce are urging Alaskans to work together to create conditions which will stimulate the mining industry before Alaska is completely 'und education.'

Alaska wood chips sale

Alaskans are "now frozen solid as to aggressive trade efforts with the Japanese regarding wood chips," says Joe Henri, President of Southeast Timber Development, Inc. "In a letter to Senator Frank Murkowski, Henri requested that the Republican senator funnel an Alaska effort toward a long-term wood chips sale. "Achieving a contract along the lines of the Siberia-Japan agreement would give Alaska's timber industry a tremendous economic boost to expand wood fiber which is now going to waste," Henri said.

Signed this spring, the $500 million Siberia-Japan agreement calls for the Japanese to supply machinery and credit to the Soviets, which in turn will provide wood and lumber for pulp and paper production. The timber industry officials warned that the agreement poses serious impacts for Alaska industry and its prospects for future development.

The Resource Development Council pointed out that the wood chip potential on the railbelt and in coastal Alaska matches or exceeds that which is readily accessible from the Soviets. In a news release this spring, the Council said it is apparent the Russians gave the Japanese concessions that Alaska was unable to offer.

However, Henri said "there never was a contest — there never was any formalized vying of Japanese concessions that Alaska was unable to offer."

Henri explained that a 10-year wood products agreement between Japan and Russia expired in 1982. He said there was a four-year interval during which Alaska could have tried to make a deal with the Japan Chip Company, a joint venture of 19 paper companies which will buy 21 million cubic feet of wood chips annually, climbing to 35 million in the 10th and final year of the contract.

Timber official urges economic diversification