

**THIS IS NO
"FISH" STORY**

In February of this year FORTUNE magazine reported that "if U.S. industry can meet the challenge, northern Pacific ports like Sitka, Ketchikan, Kodiak and Cordova will become as prominent as Gloucester and New Bedford were at the turn of the century." Unfortunately, FORTUNE neglected to mention Petersburg. To keep the record straight, Lew Williams Jr., publisher of the KETCHIKAN DAILY NEWS, wrote:

"When the record salmon season ended last fall, fishermen and plant workers kept working at the Petersburg plant of Icicle Seagoods, known as Petersburg Fisheries until 1976.

"Right now, while others talk, two draggers belonging to Icicle are catching several hundred thousand pounds of flounder at the rate of 35,000 pounds a day -- 70,000 pounds when the company's cold storage plant, the old Petersburg Cold Storage, also operates."

The 100,000-pound loads of flounder are

unloaded with big suction devices. The flounder is filleted and sent through a skinning machine. The fillets go onto a huge drum full of super-cold freon and are frozen in one turn of the drum. The frozen fillets are popped onto a sorting table where they go into packages for shipping.

The big freezing drum is the only one of its type in the Western hemisphere. Icicle is considering installing a second.

The automated plant is keeping 100 people employed in Petersburg, while in other communities the plant workers are idle."

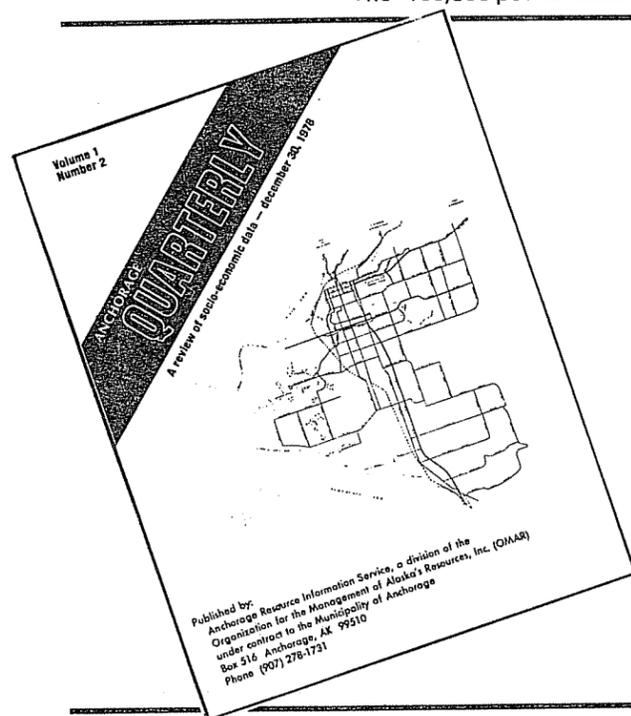
Williams also pointed out that after the flounder season was over Icicle will go after pollock and then perch. Icicle also handles herring, black cod and crab. Williams concluded his editorial with the following comment: "Instead of sending fishermen to Denmark, send them to Petersburg. But be careful. They might be put out to work."

**ANCHORAGE QUARTERLY - ISSUE NUMBER 2
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The Anchorage Quarterly, introduced three months ago, is a collection of vital statistical data updated on a quarterly basis to provide you with the latest facts and figures on the Anchorage community.

Using a combination of tables, charts and graphs the Anchorage Quarterly lets the "numbers speak for themselves" on such topics as: **COST OF LIVING - POPULATION & VITAL STATISTICS - CULTURE AND RECREATION - RESIDENTIAL & COMMERCIAL REAL ESTATE - GOVERNMENT BUDGET & TAXES - AND MANY MORE TOPICS.**

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Published by:
Anchorage Resource Information Service, a division of the
Organization for the Management of Alaska's Resources, Inc. (OMAR)
under contract to the Municipality of Anchorage
Box 516 Anchorage, AK 99510
Phone (907) 278-1731

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RESOURCE REVIEW

Box 516

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March 1979

**FORESTRY
INDUSTRY
NEEDS
"SOPHISTICATION"**

In the February 1979 edition of **Logging Management**, Michael McCloskey, the Executive Director of the Sierra Club gave a stunning response to the question "Why is the forest industry losing so badly in its struggle with the environmentalists." Following is McCloskey's complete reply:

"In a word, sophistication. It's not intelligence that counts. There are many very bright and able people in the timber industry -- I've fought enough of them to know. It's being able to tell where the big ideas are, how to reinforce the powerful impulses in a society, how to lobby

accordingly. I find that most industry people, while technically very competent, aren't even aware that environmentalism has become a fully institutionalized value in this nation. They're still fighting us as if we were some outlandish group of leftwing radicals when we've been as much a part of the American Way of Life as apple pie and motherhood for some years now."

Forest industry people agree with McCloskey's analysis. They find themselves "too busy minding the store" to keep up on the fast-changing issues. But they're learning.

QUOTABLES

Oscar Wilde defined a cynic as one who knows the price of everything but the value of

nothing. A preservationist is one who knows the value of everything, but the price of nothing.

**HERITAGE
FOUNDATION
HOLDS
CONFERENCE
ON ENERGY**

On February 2 - 4, the Heritage Foundation sponsored the first National Conference on Energy Advocacy in Washington, D.C. The Heritage Foundation, a public policy research institution, attracted more than 650 delegates, representing more than 150 organizations ranging from scientists, students and steamfitters to consumer and minority advocates. Though the delegates came from varying backgrounds, the consensus of the battery of speakers reflected the mood of the conference: "America's energy problem is being cramped into political ideological modes that are preventing the nation from adequately developing its own energy resources. This is forcing us inexorably toward higher inflation, massive unemployment, increasing vulnerability to foreign aggression and a class society." Participants in the conference included the American Association of Blacks in Energy, Aware, Consumer Alert, Energy Education Program, People for Energy Progress, Scientists and Engineers for Secure Energy, Steamfitters Local Union

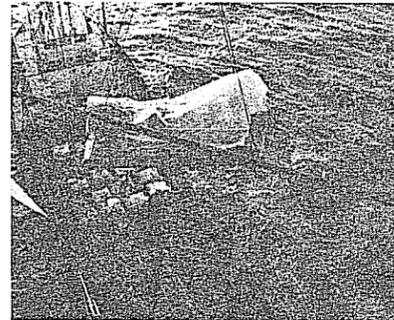
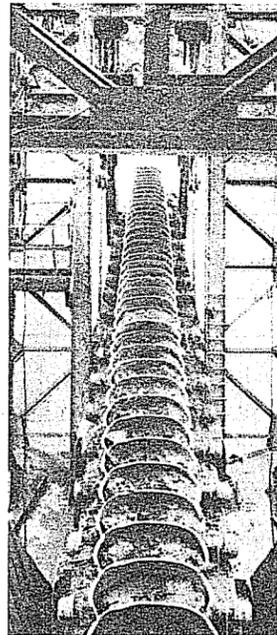
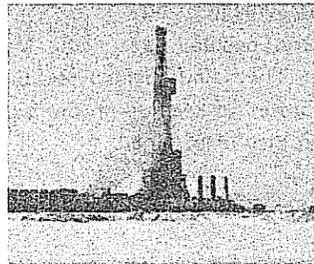
476 U.A. of R. I., Society for the Advancement of Fission Energy, Women in Energy, and others.

Margaret Bush Wilson, Chairwoman of the National Association for the Advancement of Colored People, told the conference "The national government must be made to lead in ensuring that the country develops abundant, affordable energy supplies that will promote vigorous economic growth." She also urged the Carter Administration to stop engaging in a "tennis match with energy policy," a national problem that poses a massive threat to employment and upward mobility for minorities and to seek the views and concerns of the minorities, the poor and the aged since they were the "most vulnerable segments of the population."

Wilson also spoke out against the "monster" of Federal Bureaucracy which had gone so far beyond its mandate regulate that it was causing injury. "They (the Federal Bureaucracy) needlessly delay construction plans. They impose

Continued next page

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STRATEGY FOR A STABLE ECONOMY

Anchorage Westward-Hilton
March 31, 1979
9 AM - 2 PM

PART I

Subjects and
Speakers

"ROADBLOCKS TO RESOURCE DEVELOPMENT"

Managing Costly Federal Regulations
Joseph Bevirt, Dow Chemical Company

Taxation Policies Lee E. Fisher, Managing Partner
Coopers & Lybrand

Struggle for Economic Survival
Robert L. Parker, President, Parker Drilling Company.

Infrastructure and Other Constraints: Can Alaska Overcome?
Robert R. Richards, Executive Vice President,
Alaska Pacific Bank

PART II

Subjects and
Speakers

"STEPS TOWARD A STABLE ECONOMY"

Implementing the State's Economic Development Plan
Jay S. Hammond, Governor of Alaska

LUNCHEON PRESENTATION

Focus on Communities: A Look at Local Development Issues

A Panel of Alaskan Mayors

Shaking the Money Tree: Attracting Capital Investors to Alaska
Dr. Beldon Daniels, Massachusetts Task Force on Capital Formation
for Economic Development

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Saturday, March 31, 1979
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GEOHERMAL NEWS CONT'D

taxes. The Commission feels that the State should institute a tax policy which will encourage and support the development of geothermal resources. The recommendations of the Commission will be considered by the Nevada State Legislature this session.

Also in Nevada, in December of 1978, Noel Clark, Director of the Nevada Department of Energy, announced the opening of a geothermal food processing plant at Brady Hot Springs. "By using natural heat from the earth to dehydrate

vegetables," Clark said, "hundreds of thousands of dollars that would have been spent on natural gas has been saved. But more importantly, vast amounts of a precious fossil fuel have been conserved." Nevada is indeed making headway in the development of alternate energy resources.

On the homefront, the Alaska Legislature just appropriated \$245,000 to the Department of Commerce and Economic Development to construct a geothermal demonstration project at Pilgrim Hot Springs. Pilgrim Hot Springs is located 50 miles north of Nome.

PLACID OIL EXPLORATION PROPOSED

Placid Oil Company filed a plan of operations with the U.S. Forest Service this January to allow exploration in the proposed Tracy Arm Wilderness Area. The area in question, about 40 miles southeast of Juneau, has been recommended for wilderness classification by Secretary of Agriculture Bob Bergland as part of RARE II. Placid

is not certain that any exploration will be possible because of Bergland's recommendation, but the company feels there is enough surface exposure of commercial grades of copper and zinc to warrant further exploration. Placid is now waiting for the U.S. Forest Service to respond to its plan of operations.

SUBSCRIPTION RENEWALS REQUESTED

If you haven't renewed your subscription for the RESOURCE REVIEW, our nice mail carriers have been bringing it to you anyway. The 1979 subscription rate is \$40.

Speaking of money, a favorite subject as the bills keep coming in, this is a good opportunity to say "thanks." Many of you realize the critical importance of the work being done by the RESOURCE DEVELOPMENT COUNCIL. You have been generous in dedicating your hard-earned

money to this year's projects and goals and we appreciate it. If you haven't read the REPORT ON 1978 ACTIVITIES, which was mailed to members at great expense, please do so and reconsider your commitment for 1979. We are supported totally by membership fees -- no state or federal grants -- and we want to keep it that way. This puts a greater responsibility on you, but keeps your organization INDEPENDENT.

TRANS-ALASKA OIL PIPELINE COLLECTORS' ITEMS

Commemorative plaques and desk weights certified to contain oil from the FIRST BARREL OF OIL received at Valdez, Alaska, from 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 inset brass corners and inscribed plate, raised lettering and miniature pipeline containing Prudhoe Bay oil. Size: 12" x 14" Cost: \$200

DESK WEIGHTS Clear lucite desk weight measures 4 1/2 x 3 3/4 x 1 1/2 inches with red base. Tube of oil, pipeline mile and inscription in center. Cost: \$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.

many burdensome costs that are non-productive. Consequently, they restrict job opportunities and add to inflation. Wilson also urged energy com-

panies to aggressively promote promising minority candidates for middle and management positions.

DECISIONS MADE FOR KENAI LOWLANDS

It appears that the Alaska Division of Lands has already made a decision as to the disposition of lands in the Kenai Lowlands. After the Natives and the Borough have been given title to their lands, the State will retain a total of 118,370.8 acres. Under the priorities set forth by the Alaska Division of Lands, the breakdown of those 118,370.8 acres is as follows:

First Priorities:	Acres
Parks and recreation areas	13,679.5
Scenic and viewshed areas	3,017.1
Fish and game critical areas	68,869.0
Trading stock	3,000.0
Agricultural Land	1,176.0
TOTAL	101,753.1
Second Priority:	Acres
Watersheds	1,501.2
Agricultural Land	1,825.0
Forest Land	1,280.0
Fish and Game Critical Areas	12,011.5
TOTAL	16,627.7
GRAND TOTAL	118,370.8

This land classification, however, leads to many questions. First, what happened to the 12,011.5 acres between the figure given by the State and actual arithmetic figure of 106,359.3? Second, what are "Scenic and viewshed areas?" Third, if fish and game critical areas are so critical, why has the Division listed 12,011.5 under a second priority when it is also listed as a primary concern as well? And finally, why has so much area been dedicated to fish and game critical areas? Indeed, there are 19 times as many acres for fish and game critical areas as there are for forestry and agriculture combined. We also question why there has been no allocation for potential material sites and no allocation for subsurface resources. And, what is "trading stock?"

The overall trend in the Division is toward single-use classification. As our readers know, the RESOURCE DEVELOPMENT COUNCIL is interested in multiple use. Copies of the Kenai Area Land Management Planning Study are available at the COUNCIL office at 444 W. 7th, or by mail.

SUSITNA PROJECT

The RESOURCE DEVELOPMENT COUNCIL has been active during the Susitna appropriation hearings. Director of Public Affairs, Steven Levi, was present at both the Senate and House hearings. In both of these teleconferences Levi presented testimony in favor of appropriating \$8 million for feasibility studies.

Our testimony stressed that concerns raised by preservationists were not relevant to the appropriation and would be adequately addressed in Phase-analysis of the project.

Proponents of the Susitna project brought forth the critical need for more power within the railbelt area. If Susitna comes on line it will provide more than 1500 megawatts for the Anchorage-Fairbanks railbelt area. John Spencer, Director of Enterprise Activities, speaking for the Anchorage Borough Council, summed up the concern over possible power shortages by stating that by the year 2000 the railbelt area would be using about 4,000 megawatts. Without some added source of energy, 80% of the State's population would be in danger of power shortages.

HIGHLIGHTS FROM CANADIAN NATIONAL ENERGY BOARD REPORT ON NATURAL GAS RESERVES

In a meeting of the Resource Development Council's executive committee with two representatives of the Canadian Consulate General's Seattle office last week, these figures were released. The complete National Energy Board report is being mailed from Ottawa.

— A Western Canada gas surplus of two trillion cubic feet exists, about two-thirds of annual Canadian output, for possible export over about eight years.

— New board requirements for approving exports include proof of adequate reserves plus assurance that the reserves can be produced effectively for Canadian consumers.

— Canada's remaining established reserves of gas in established production areas is 66.1 trillion cubic feet as of last December 31, up 4.7 trillion cubic feet from forecasts at the end of 1976.

Continued on page 4

— Established reserves in the so-called Frontier areas are unchanged at 5.3 trillion cubic feet in the Western Arctic, up to 9.2 TCF from 7.3 TCF in the Arctic Islands and remain unmeasurable off the East Coast pending

solid discoveries.

— The board forecasts annual existing market gas increases of three percent between 1978 and the year 2000.

BELIEVE IT OR NOT

Robert W. Weeden, in a paper presented ten years ago to an Edmonton conference on "Productivity and Conservation in Northern Circumpolar Lands," proposed three basic policies for maximizing the benefits of Alaskan living. They were: limited population, selective industrialization and environmental consciousness.

Included in his recommendations was a policy of population regulation "to limit the number of births among Alaskans through legalized abortion, birth-control measures, incentives for small families" and to "restrict immigration, possibly approaching this tricky problem from a strategy of reducing the incentive for people to immigrate, rather than by barring entry to those who knock on the door."

His policy of selective industrialization would "reject extravagant power generation projects justified with self-fulfilling projections of demand from processing industries and population growth; neither the manufacturing plants nor the increased population are desirable."

The third policy, environmental consciousness, would depend on Alaskans adopting Aldo Leopold's "land ethic." Incorporated into government it would become "ecomanagement," a term coined to express the broad new tasks of conservation; it would defend man against himself and everything else from man.

He proposed a complete shutdown for at least three years of all further oil and gas exploration except in Cook Inlet and the central Arctic and said future oil exploration "should come on the initiative of the government, not industry. It should be done when the national and global situation clearly calls for development of new reserves, and it should be done on lands selected by the government."

Weeden served as the state's director of Policy and Development Planning in the mid-1970's.

Persons wishing a copy of Weeden's paper May call or write the RESOURCE DEVELOPMENT COUNCIL.

BEDSIDE MANNERS?

The Director of Public Affairs for the RESOURCE DEVELOPMENT COUNCIL, Steven Levi, will be given a unique hearing on March 12. Levi has been working on land issues, including the Coastal Zone Management and Impact Statement, and the Proposed Regulation Changes of the Department of Natural Resources, for several weeks. When he submitted his analysis on the proposed regulations for the Department of Natural Resources, he discovered that very few people in the State had responded. So, in an ef-

fort to streamline the review process, Levi and another respondent were invited to meet in the hospital room of Ted Smith, Director of the Division of Forests, Land and Water Management. Smith is recovering from a fractured femur. Copies of our testimony on the Coastal Zone Management DEIS and the Proposed Regulation Changes for the Department of Natural Resources are available at the RESOURCE DEVELOPMENT COUNCIL office at 444 W. 7th, or by mail.

POOL IT!

"Do car pools accomplish anything?"

According to the Seattle/King County Commuter Pool, the answer is "Yes."

In its 1978 progress report, the Commuter Pool reported the following program effects (estimated):

— 3,733 automobiles no longer driven for commuting.

— 30,723,840 fewer miles driven by commuters.

— 2,048,256 gallons of gasoline conserved.

— 2,457,907 fewer pounds of pollutants produced.

— 3,513 Seattle homes could be heated for a year with the energy saved.

As should be obvious, those benefits are significant. Besides, carpooling can be more fun than commuting alone."

("Pool It!" The Environmental Impact, January, 1979.)

SIMON SAYS

Former Treasury Secretary William E. Simon's book, "A TIME FOR TRUTH," dissects economic and political policies that threaten our liberty. Simon tells what must be done to avoid the suicidal course our nation is following. Some of the principles he proposes adhering to are:

— "The overriding principle to be revived in American political life is that which sets individual liberty as the highest political value, that to which all other values are subordinate and that which, at all times, is to be given the highest 'priority' in policy decisions.

—"There must be a conscious philosophical prejudice against any intervention by the state into our lives, for by definition such intervention abridges liberty . . . state intervention in the private and productive lives of the citizenry must be presumed to be a negative, uncreative and dangerous act, to be adopted only when its proponents provide overwhelming and incontrovertible evidence that the benefits to society of such intervention far outweigh the costs.

—"The principle of 'no taxation without representation' must again become a rallying cry of Americans.

—"Our citizens must learn that what keeps them prosperous is production and technological innovation. Their wealth emerges, not from government offices of politicians' edicts, but only from that portion of the marketplace which is FREE. They must also be taught to understand the relationship among collectivism, centralized planning, and poverty . . ."

QUESTIONABLE NEWS YOU PROBABLY CAN'T USE

The State of Alaska, apparently concerned it may be unable to meet its export barley commitments, now has the situation under control. State employees have been instructed that each of their office windows should contain window boxes for growing barley. Seeds are being provided by the Agricultural Experiment Stations. The employee having the greatest production per square inch will receive the "Green Thumb" Award.

Len McLean of Pacific Alaska LNG, suffering from acute frustration brought about by federal and California bureaucratic delays for the LNG project, has not lost his sense of humor. Ask him to tell you why Smokey the Bear has no children.

GEOHERMAL NEWS FROM NEVADA

In an effort to encourage investment in the development of geothermal resources in Nevada, the State's Legislative Commission has recom-

—"We commonly hear people call for a rollback of prices, often unaware that they are actually calling for the destruction of marginal businesses and the jobs they furnish. People must be taught to start calling for a rollback of the bureaucracy, where nothing will be lost but strangling regulation and where the gains will always take the form of liberty, productivity and jobs.

—"Productivity and the growth of productivity must be the FIRST economic consideration at all times, not the last. That is the source of technological innovation, jobs and wealth. This means that profits needed for investment must be respected as a great social blessing, not as a social evil, and that envy of the 'rich' cannot be allowed to destroy a powerful economic system.

—"The American citizen must be made aware that today a relatively small group of people is proclaiming its purpose to be the will of the People. That elitist approach to government must be repudiated. There is no such thing as the People; it is a collectivist myth. There are only individual citizens with individual wills and individual purposes. There is only one social system that reflects this sovereignty of the individual: the free-market, or capitalist system . . . That individual sovereignty is being destroyed in this country by our current political trends and it is scarcely astonishing that individuals now feel "alienated from their government."

Simon, William E. *A TIME FOR TRUTH*, (1978, McGraw-Hill)

Resource Development Council meeting speakers March 1 were given the option of backing out just before the meeting. Gordon Zerbetz and Ray Wipperman had to be told, in all fairness, that the last speaker who addressed the group had his position challenged by the budget committee. Since then two more speakers have cancelled their planned appearances. Future meetings, therefore, will address only non-controversial issues.

Paula Easley called a member of the Fisheries Division at home concerning his attendance at a meeting. His wife informed her that he was Outside. Ms. Easley asked if he would be back by the 16th. . .The response: "I certainly hope so. He's just taking out the garbage!"

mended that non-productive leases of lands for geothermal exploration be exempt from property

Continued next page