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Resource Review

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Alaskans favor reduced spending to deal with declining state revenues

Nearly 70 percent of Alaskans prefer to cut state spending, rather than raise taxes, to deal with declining state revenues.

That was a major finding of a recent poll conducted by Louis Harris and Associates and Dittman Research for the Alaska Oil and Gas Association. The poll also showed that a majority of Alaskans surveyed think the state's economic outlook is bright.

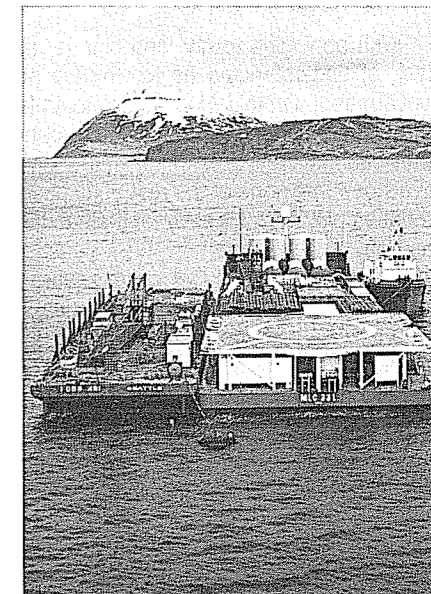
Nearly three out of four Alaskans surveyed point to natural resource development as the key to economic growth, with about half of the respondents saying that Alaska's economy in the long run depends on the oil and gas industry.

Of those surveyed, 87 percent said they

would consider a dramatic drop in state revenue a serious problem. By better than four to one, respondents said they would prefer to deal with reduced revenues by cutting spending, instead of raising taxes. The majority of those surveyed favor leaving taxes and other state revenue sources unchanged.

Almost half of those surveyed think conditions generally in the state are better than they were five years ago and more than four in ten respondents expect things to be better five years from now.

The survey found also that Alaskans rated the state as a good place to live by a lopsided 93 percent to 7 percent margin.



Despite declining profits from falling oil prices, oil companies continue to invest heavily in Alaska. Industry's search for oil along Alaska's OCS benefits the state's economy and the national interest.

Alaska's "fair share" of oil revenues increase

Data used by the Alaska Department of Revenue (DOR) in preparing an analysis of the possible impacts of pending tax legislation indicate that the state's share of oil revenues will grow well into the next century.

DOR's analysis refutes allegations made recently by the Alaska Public Interest Research Group (AKPIRG) that the state's share of oil revenues was declining and would continue to do so into the future. In a recent report, the group claimed that

the state's share of oil revenues has declined to only 27 percent, much less than the 30 percent "fair share" previously established by the state as a revenue target for royalties and taxes on the production of oil and gas.

The Department of Revenue recently revised its fiscal note for HB-353, the separate accounting oil income tax bill which is currently in the House Finance Committee. In that fiscal note, the DOR noted that the state's share had never dropped below

30 percent, and was increasing to the point where by the year 2000 it could be almost 50 percent of the total net production revenues from the North Slope.

For the period 1982-1985, the state's share of production revenues ranged from 33.8 percent to 37.9 percent. The DOR projects that the state's share of production revenues will increase to between 42 and 48 percent between 1987 and 2005.

(Continued on page 6)

Alaskans...Working with Alaskans to improve the quality of life through sound resource development.



Message From The Executive Director

By Paula P. Easley

Alaska: A Land Planner's Paradise

With apologies to my land planner friends, I must confess my lack of understanding as to why we need so many planners in government. I'm told Alaska has more planners per capita than any other state, and these folks make a grand living telling others what they can and can't do with the state's land resources. With a secure livelihood that none of the rest of us have (ever try to fire a government employee?), it's easy for them to take on the role of protecting us from ourselves.

Who ever decided that every square inch of Alaska needed to be "planned" for present and future users? No one did, yet we have land use planning on a scale beyond our imagination. Regardless of the fact that history has never revealed a "planned" society that worked, there are some dedicated people here who are sure we can create one in Alaska.

Ask a land planner about his objectives and he'll tell you they are to "control growth." But what we see is that controlled growth can quickly become "no growth."

The planners tell us we can only have a better world if we do what they tell us to do. They create the lofty image that only they are for everything good and wonderful. The fact is, they are not out to create a better world but to create a society controlled by government. And who in government has the control? Why, the planner of course.

B.J. Rogers of Oregon explains how they work: "They set up a

maze of rules and regulations that make it difficult, if not impossible, for the public to understand," and just as impossible for people to afford to protect their property interests. The principal tools for creating a "straight jacket for the public" are administrative rules, zoning and comprehensive plans. Rogers credits administrative rules as being the principal delaying action, and a property owner must wade through the maze of administrative remedies before being allowed in court. It's not unusual for the victim of the system to go broke in the process.

In Alaska we have every conceivable type of land planning activity under way on lands that are barely used, most of which overlap government jurisdictions. These planning processes never die; they must be periodically reviewed, and review seldom involves significant modification.

Another onerous offshoot of our land planner's paradise is its reproductive capacity. Rabbits are "zero populationists" by comparison. National park plans, for example, will multiply at least tenfold as sub-plans are prepared for each of the special units within the original park boundary. And these mini-plans create pyramids of planning layers that are never totally in sync with each other as they're done at different times — they go on and on.

Planning for state lands is now in full swing, and each legislative session gives birth to more "special areas," each requiring more planners on the payroll to tell private citizens how the land will be used. Instead of leaving the vast majority of state land in multiple use classifications to allow the greatest flexibility for its ultimate use, we keep drawing boundaries around large blocks of land before anyone knows what resources they contain and how best they might contribute to the needs of our citizens.

Last September we quoted in the Resource Review a Soil Conservation Society policy which would serve Alaska well. It stated: "Conservationists have always felt that an uncertain future can best be provided for by taking as few actions as possible today that preempt the opportunity to take other actions tomorrow. Providing for future accessibility in resource decisions is a key ingredient in meeting an uncertain future. To keep the range of options open is not only prudent but necessary to the welfare of generations ahead." Sound advice!

True multiple use allows for the maximum number of uses, still allowing for protection of important values in a specific area. As Curt McVee, former Alaska BLM director, wrote in the Anchorage Times

(Continued on page 7)

Resource Development Council, Inc.

The Resource Development Council (RDC) is Alaska's largest privately funded nonprofit economic development organization working to develop Alaska's natural resources in an orderly manner and to create a broad-based, diversified economy while protecting and enhancing the environment.

RDC invites members and the general public to its weekly breakfast meeting featuring local and nationally-known speakers on economic and resource development issues. The meetings are held on Thursday at 7:30 a.m. in the Northern Lights Inn. Reservations are requested by calling 276-0700.

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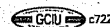
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RDC, Alliance join forces in support of OCS Lease Sale 92

The Resource Development Council for Alaska, Inc., and the Alaska Support-Industry Alliance have joined together with the U.S. Department of the Interior and seven oil companies in support of the federal government's decision to proceed with the sale of oil and gas leases in Bristol Bay.

Represented by the Pacific Legal Foundation, the Resource Development Council (RDC) and the Alliance have submitted a legal argument strongly opposing the position of the State of Alaska, five other coastal states and a coalition of national environmental groups which are seeking to kill the sale.

The State's suit is just one more effort to frustrate clearly expressed congressional intent to develop energy sources in the Outer Continental Shelf, the RDC and Alliance brief stated. The brief pointed out that the present area of the sale has been under consideration since 1974, and it has twice been deleted from national five-year plans for OCS development. They also noted that the proposed lease sale area has been scaled down by 83 percent.

Paula Easley, Executive Director of the Resource Development Council, said "one federal agency alone has spent over \$75 million studying the environmental effects of energy development in this area. The U.S.

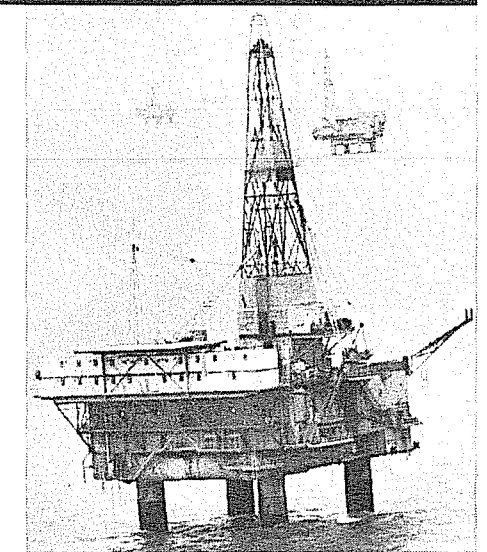
Minerals Management Service has produced a mountain of information on energy development and the Bristol Bay fishery. Expert studies have consistently concluded that oil and gas production is feasible and safe in this environmentally-sensitive area."

Easley continued, "We are satisfied that industry can operate in Bristol Bay without harming the special values of the area. Advance technology in use today throughout the world has shown that the oil and gas industry clearly has the ability to operate successfully without adverse impact on the fishing industry."

In their brief, RDC and the Alliance pointed out that virtually every mitigation measure suggested by the State of Alaska has been accepted by the Department of the Interior.

"Any further delay in Lease Sale 92 would be irrational and a clear violation of the public interests identified in the Outer Continental Shelf Lands Act Amendments of 1978," said Bill Webb, President of the Alliance. He charged that the Plaintiffs' request for a preliminary injunction is "an irrational further delay."

Webb cited the importance of OCS exploration to national security and America's attempt to decrease its reliance on imported oil.



Despite an abundant supply of oil, states with offshore oil must allow and encourage industry to find and produce new fields to minimize the potential for a future energy crisis. The president of the American Petroleum Institute believes that if the nation waits until the next crisis, it will be too late since it takes at least ten years for the industry to get from exploration to production.

"OCS Lease Sale 92 is consistent with the need to make resources available to meet the nation's energy requirements and balances orderly energy resource development with protection of the human, marine and coastal environments," Webb said.

Multiple use and public land management

"It is a last resort and somewhat of an admission of failure that professional land managers, with over a century of scientific, technical development history behind them, cannot devise methods for continuing multiple use," wrote Curt McVee in an Anchorage Times editorial last month.

McVee, a former director of the Bureau of Land Management in Alaska, said that over the past two decades, there has been an alarming trend in the concepts governing public land management to identify a use for each tract of land. After administrative or legislative sanction, McVee said, "the area is then designated under one of a multitude of land classification authorities and managed for the identified purpose to the exclusion of other uses."

A decision to exclude uses of all but one principal group of resource users means "we have accepted something less than an optimum contribution from our public land as a compromise or trade-off," McVee said.

The former BLM chief stressed that the mistakes of the past do not have to be repeated if knowledge accumulated by land and

resource managers is used to make decisions based upon the capabilities of the land and natural resources. He warned land planners not to allow emotionalism to dominate their decisions.

McVee explained that multiple use allows for the maximum number of uses, yet recognizes that sometimes there are dominant values. He said the risks are greater, but so are the rewards benefitting all segments of society.

"We should demand that, before any land designations or classifications are imposed on public lands, there is indeed a unique, unusual or dominant value which cannot be managed except by excluding all uses not related to the value identified," McVee said.

"We must be convinced that professional land managers have exhausted modern technology, reached knowledge and experience limits to find solutions allowing simultaneous use of the land by the largest possible segment of the public. Discussions should not focus on either/or, the designation of a dominant use, but should concentrate on the combinations providing the greatest contributions now and for future generations."

Alaska: A land Planner's Paradise

(Continued from page 2)

recently, it is not necessary to look at each piece of land from a management standpoint with an "either/or" approach. Many uses can be accommodated intelligently and effectively by enlightened land use managers.

That is not the message you will hear from preservationists (not

conservationists) as legislators and environmental groups seek to lock up more Alaska land and as the battle heats up over oil development in the Arctic National Wildlife Refuge. It is up to you and me to press our elected officials for rational approaches to land management. We must accept that responsibility or the planners will do it for us.

Waferwood mill is planned

Louisiana-Pacific Corporation will build a waferwood plant in Dawson Creek, British Columbia. The announcement was made in Dawson Creek by Harry A. Merlo, LP's chairman and president.

The new plant will have an annual capacity of 260 million square feet on a 3/8-inch basis, which will make it the second largest of LP's waferwood plants. Construction is expected to begin in early 1986.

The plant will employ about 125 people in its manufacturing operations, plus an expected 200 people in forestry, logging and transportation. Most of those employed will be Canadians, and 80 percent of the product will be exported to the United States.

"We're delighted with the cooperation and incentives the British Columbia government has provided Louisiana-Pacific," said Merlo.

Oil revenues...

(Continued from page 1)

The DOR report also noted that the present tax structure, known as "modified apportionment," was not sensitive to declines in oil prices as would be "separate accounting."

Petroleum revenues currently account for nearly 90 percent of the state's income.

Timber...

(Continued from page 4)

not kill fish or ruin wildlife range. The truth is just the opposite according to recent studies.

The industry must be competitive. It must be able to lower its costs. And it must grow, if it is to be meaningful. Biologically it could increase four-fold before it reaches its sustained yield. It would be interesting to look at the export value figures then.

Refuge policy...

(Continued from page 5)

proves to have a high potential for producing oil or gas will take place only after a National Interest Determination has been made regarding the efficacy of oil and gas leasing on a refuge.

This determination will require input from both the Fish and Wildlife Service and the U.S. Department of Energy. This process does not limit the management authority of the Fish and Wildlife Service on the refuges.

RDC believes this new policy on oil and gas activity strikes an appropriate balance between the protection of refuge environments and the documented need to explore for, and possibly develop, oil and gas beneath public lands.

SPOTLIGHT

Max D. Nalley

For seven years, Max Nalley has been a spokesman for responsible development of Alaska's natural resources while serving as the Alaska Public Affairs Manager for Exxon Company, USA in Anchorage.

Responsible for all of Exxon's public and government relations activities within Alaska, Max believes the biggest problem new industries and businesses face in Alaska is the lack of state commitment to increased business growth.

"The state needs to be an active promoter of new investment through clear, supportive positions on stable taxation, effective regulation and official encouragement of economic diversification," Max explained.

Max has devoted over seven years of his time to helping RDC become an effective advocate for sound resource development. Four of those years he has served on the Council's board of directors and the organization's Energy Division.

"RDC is an organization which can be, and indeed has been, the most effective voice for this development," Max said. He encourages the Council and other groups in Alaska to support availability of state lands for leasing, development of the Alaska OCS and stable tax policies.

Sharon E. Anderson

After being raised "land-locked," RDC board member Sharon Anderson has made a 180-degree turn where her life now revolves around the coast and a business that specializes in transporting goods and materials across the sea.

Owner of Anderson Tug and Barge Company of Seward, Sharon has visited every port from Seattle to Adak since she moved to Alaska eight years ago to open her seaworthy business. She has personally managed the business from Seward for the past six years.

Anderson Tug and Barge specializes in contract towing, charters, ship assists and pilotage between California and Alaska; especially between the Pacific Northwest and the Aleutian Chain and Nome.

Sharon has pride in her first-hand participation in the growth of coastal villages and harbor facilities. Her marine transportation experience and knowledge of coastal issues has proved valuable to RDC. Last year she was appointed to the Council's Executive Committee.

Sharon gives her time and talent to RDC because she views the organization as an instrumental group for educating the public on resource and economic development issues and counteracting environmental and legislative efforts that hinder Alaska's development.

Rybachek elected president of AMA

Long-time Interior Alaska miner Rose Rybachek has been elected president of the Alaska Miners Association.

Rybachek's election to the AMA helm came at the organization's tenth annual convention in November.

The new AMA president pledged to "build

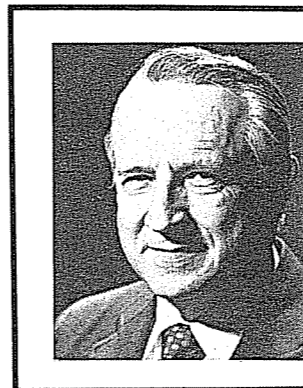
a working machine out of the Alaska Miners Association that will accomplish the goal of all of us — a healthy mining industry in the State of Alaska." Rybachek said she is totally committed to doing all that is in her power to preserve the mining industry, "not just the small miner, nor just the large miner, but the entire industry."

Jinks leaves Alaska Miners Association

Jim Jinks has resigned his post as Executive Director of the Alaska Miners Association to attend law school in Sacramento, California.

Jinks was appointed to the Alaska Miners Association position nearly two years ago after serving as Deputy Director of the Resource Development Council.

In his recent editorial in the Alaska Miners Journal, Jinks wrote that "my time with you has been one of the most enjoyable and challenging work experiences of my life. I deeply appreciate the support and friendship you have given me in my 21 months with you. Together, we have accomplished much in a short period of time."



Thoughts from the President

By Charles R. Webber

The Resource Development Council is people poised to assist in the orderly growth of Alaska's resource development industries. In pursuing this objective, there is a need to learn and apply. The learning portion not only comes from educational institutions and

the field of experience, but also from the knowledge of those leaders who have become experts in fields closely associated with resource development.

The Resource Development Council has been fortunate in being able to bring together in Alaska each year a number of the world's most knowledgeable talent to assist our membership in becoming current with new technology in the development field.

The Sixth Annual International Conference on Alaska's Resources has grown each year in interest and scope. This year's conference, *Crisis in Resource Production: Can America Compete? and Alaska's Competitive Position: Public Policy Issues*, will in all likelihood surpass all others in both attendance and input as it brings together not only input from outside Alaska, but carry a unique format of development strategies from within our state.

This conference needs your attendance and your subsequent action in producing a pattern of development that will enhance Alaska's competitive position in the global marketplace.

Sixth Annual Conference

America's response to the realities of global competition to be highlighted

Alaska must gain a better understanding of the implications of certain worldwide events if the state is to proceed in expanding its economy.

With that in mind, the Resource Development Council's Sixth Annual International Conference on Alaska's Resources will bring Alaska's competitive position in the global marketplace to the forefront as prominent experts address subjects ranging from worldwide politics and minerals production to the changing view of petroleum and the latest coal supply and demand patterns.

Entitled, "Crisis in Resource Production: Can America Compete? and Alaska's Competitive Position: Public Policy Issues," the conference will be held February 12-13 at the Anchorage Sheraton Hotel.

The opening segment includes realistic assessments of U.S. market potential in global trade for the basic industries supporting Alaska's economy. Rear Admiral William C. Mott, Chairman of the National Strategic Materials and Minerals Program Advisory Committee and Vice President of the National Strategy Information Center in New York will open the conference with an analysis of global politics and minerals production.

Richard J. Baker, President of Mrs. Paul's Kitchens of Philadelphia, will focus on fisheries and the 200-mile limit while Clair Ghylin, Manager of the Land Department of Chevron's Western Region, will report on the new world view of the petroleum industry.

The conference will feature two keynote luncheon addresses. Paul Locigno, Director of Governmental Affairs of the International Brotherhood of Teamsters will discuss America's response to the reality of global competition February 12 while Alaska's entire congressional delegation will focus on key state and federal issues February 13.



The new coal terminal at Seward has a bright future if Alaska coal can successfully compete in the world market with Canadian and Australian coal.

Other presentations will focus on wood products as a worldwide commodity, Asian gas markets in the coming years, the profitability of agriculture, the cost and benefits of industry incentives, building resource transportation systems, the impacts of land use policies on development and the effects of government decisions and regulations on industry competitiveness.

In conjunction with the conference, the All-Alaska Exposition highlighting tourism and local economic projects will be held at the Sheraton February 12-13 on the mezzanine and the Yukon-Kuskokwim Rooms. The Exposition will feature exhibits of Alaska communities, promoting participating areas as tourists destinations while providing information to potential buyers on local products available for sale. The event will also highlight resource and economic development projects undertaken by both the public and private sector.

Registration fee for the conference is \$225 while admission to the Exposition is free.

For additional information, call the Resource Development Council at 276-0700.

Chugach compromise biased against Alaska's fledgling timber industry

The U.S. Forest Service compromise with a coalition of environmental groups over the allowable annual cut in the Chugach National Forest is nothing more than a "compromise upon a compromise, heavily biased against a timber industry," according to Joseph R. Henri, President of South-Central Timber Development, Inc.

In a letter to Regional Forester Michael R. Barton, Henri said he would be amazed to learn that the Forest Service has done anything in recent times to promote a forest products industry based on the nation's second largest forest — the Chugach.

"It is a colossal irony that the federal government is confronted with a vast and dangerous budget deficit, while an important source of revenue is just standing on the stump and rotting on the littoral and islands or Prince William Sound," Henri said.

During the public planning process regarding the future of Chugach National Forest, those who had hoped for a viable timber industry in the Prince William Sound/Kenai area had supported an annual cut of 47 million board feet, which is the yield the available commercial timberland can produce according to the Forest Service. Environmentalists wanted no cutting, prompting the federal agency to compromise.

The Forest Service's proposed annual cut of 17 million board feet pleased neither the timber industry nor the environmentalists. In settling with the environmentalists, the Forest Service slashed the annual cut to 8.6 million board feet, an allowance which could hardly generate a good firewood industry, Henri said.

South-Central Timber Development believes it is delusional to think that the allowable cut will promote a timber industry in South-central Alaska. A viable timber area needs a large volume of timber and a number of operations in all facets interacting with each other and making an organic whole, Henri explained. He said the federal government's compromise has destroyed the volume basis.



Low annual timber cuts such as those called for under the Chugach National Forest settlement discourages the growth of a viable timber industry in Alaska.

Henri said the Forest Service used to make a substantial difference in Alaska, helping the fledgling country to its feet. The Territory of Alaska was much in need of an economic base; the Forest Service materially contributed to its establishment and continuance, he noted.

"Thirty years later, what a sadly different agency is in place today," Henri charged. He said "the agency has relinquished any role of leader and benefactor in favor of the more comfortable posture of not rocking the boat."

"It will avail me nothing to take up your argument about whether what you did is a 'compromise' or a 'sellout,'" Henri noted. "In either case, the U.S. Forest Service has retired from Alaska's 'front line.'"

Alaska's timber production could increase four-fold

by Terry Brady

A recent article on Alaska exports in the Anchorage Daily News showed that the value of exported seafood products, between 1979 and 1984, was \$1.85 billion.

This is an encouraging figure, particularly when it is considered that salmon, which were in a state of decline at the time of statehood, make up the highest value of that figure. The numbers reveal what can occur when the state puts its monetary, moral and political support behind an industry, as Alaska has rightly done for the fisheries industry during the past 26 years.

But an even more revealing figure was that during the same period the forest products industry gained \$1.55 billion in exports, a number not too far behind fisheries.

And unlike fisheries, the forest products industry has seen little support, and in some cases actual opposition from government. Also to be considered in comparing the two values, the fisheries, particularly salmon, shellfish and halibut, are currently being har-

vested at or close to their sustained yields, helped along by artificial hatcheries and other state supported or state-encouraged programs.

At the same time, Alaska's timber is being harvested at between 15 and 20 percent of its natural biological sustained yield potential.

Where would the forest products industry be or where could it go if it enjoyed the same support as the fisheries?

Alaska has nearly 30 million acres of commercial forestland. This is approximately six percent of the commercial forestland in the United States. Alaska, using the rough inventory figures developed over past years, has between six and ten percent of the standing volume of commercial timber in the United States, well above the national average.

For instance, growth per acre on the better sites in Interior Alaska exceeds that of the Great Lake states, where the industry has thrived for generations, and the better sites in Southeast Alaska are comparable to much of the Pacific Northwest.

An Alaska forest products industry, making lumber, plywood, composite board, pulp and paper, industrial chemicals, and even cattle and human food, is a distinct possibility, and the revenues generated could be meaningful.

There are signs of encouragement from within state government concerning this industry, which in the past has been overlooked or attacked. Governor Bill Sheffield appointed a timber task force last year to make recommendations concerning the industry. The Division of Forestry within the Department of Natural Resources is promoting industry on the 10 million acres of state-owned commercial forest land. The Department of Commerce has hired two forest product advocates.

But that is not enough. There has to be a system of fairness and reality generated at all levels of state and federal government concerning this industry and its potential. There has to be a realization that timber harvest, at the sophisticated level available today, does

(Continued on page 6)

Resource development battle lines being drawn

Senator Ted Stevens told the Resource Development Council earlier this month that battle lines are being drawn between those who support resource development and environmentalists who favor the establishment of huge wilderness areas prohibiting development.

Speaking before 180 people attending RDC's January 2 breakfast meeting, Stevens said environmentalists, spearheaded by the Wilderness Society, want to change the five-year old Alaska National Interest Lands Conservation Act (ANILCA) to further hinder attempts to develop Alaska's natural resources.

"I find it significant that their first announcement was the elimination of the Tongass National Forest supply fund, which, by the way, they suggested," Stevens said. "They want

to renege on their own proposal. I believe that means the battle that will begin in 1987 will be equally as long as the last battle, and that means seven years."

Among the issues to be decided is whether further exploration will be allowed in the Arctic National Wildlife Refuge, Stevens said. Environmentalists have vowed to eliminate any oil and gas exploration and development in the region, claiming such activity could harm caribou.

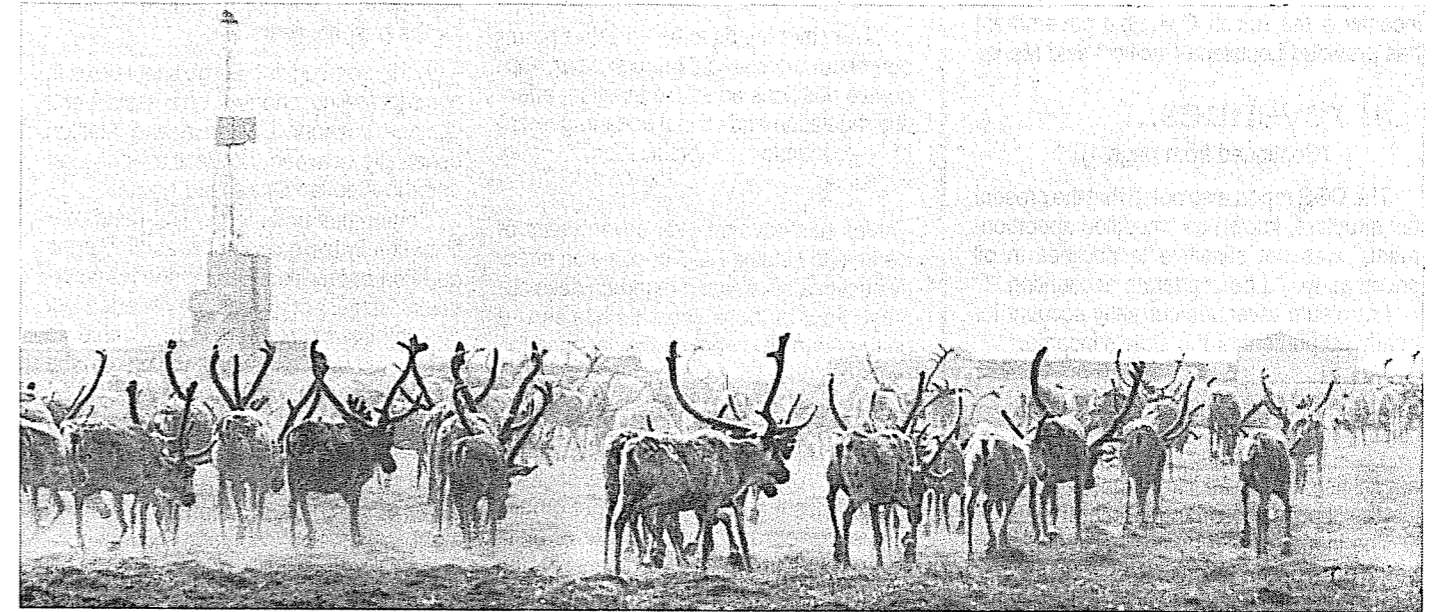
Oil companies and the federal government believe the refuge is Alaska's and the nation's best hope for finding another oil field the size of Prudhoe Bay. Such a discovery would propel the state's economy well into the 21st century.

Industry says it has the technology to miti-

gate impacts on the refuge, and that exploration and development operations would not harm the large caribou population.

Widespread development on the coastal plain surrounding Prudhoe Bay has had no significant impact on the environment or the caribou in the 15 years since development began there. Environmentalists had fought against development of America's largest oil field, claiming that attempts to tap the Prudhoe Bay field would harm caribou.

Stevens said a new group of congressmen will need to be educated if the state expects to win its position. "We cannot win as one state against the rest of the nation," Stevens said. "But if the rest of the nation is made aware of the national interests, then it will be an even battle."



The oil industry has proved it has the technology that allows petroleum development activities to coexist with the fragile North Slope environment and its wildlife. In 15 years of development activities, there has been no significant impacts on the caribou grazing on the North Slope.

New oil and gas policy for refuges

The U.S. Fish and Wildlife Service has recently developed a more flexible program for managing oil and gas activity on wildlife refuges in Alaska. The change in Fish and Wildlife Service policy came about as a result of actions taken by the Resource Development Council and other concerned businesses and individuals.

The Alaska Lands Act mandates special consideration for the development of oil and gas resources on the 17 wildlife refuges in Alaska. Because of the economic and national security values of these deposits and the relative lack of understanding of their location, Congress made special provisions for their development.

The new policy will mandate a case by case examination of each application for approval of an exploration activity on a refuge regardless of the area's management classification. This will allow the oil and gas industry to work throughout all non-wilderness areas of the refuges in an environmentally-safe manner.

The importance of this policy change is easily seen on a map of the state. Several of the Alaska wildlife refuges overlie areas with high, moderate and low potentials for commercially-developable quantities of oil and gas. Until these areas are explored and the extent of the deposits discovered, RDC

believes it has a responsibility to insure that reasonable exploration activities are allowed.

The eventual leasing of any area which

(Continued on page 6)

Notable Quotes

"If a tree naturally falls into a stream, a logging company cannot move it for any reason, but if a branch from a felled tree falls in the stream, it must be removed at all costs."
— Rose Rybachek, President, Alaska Miners Association