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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 4½ x 3¾ x 1½ 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.

INVESTING IN ALASKAN DEVELOPMENT

9 AM — 2 PM

Friday, January 25 and Saturday, January 26, 1980

— Captain Cook Hotel —

NAME (Please Print) _____

COMPANY _____

MAILING ADDRESS _____

TELEPHONE _____

AMOUNT ENCLOSED _____

Cost: \$40 per person which includes lunches for both sessions

Please make checks payable to RESOURCE DEVELOPMENT COUNCIL
P. O. Box 516, Anchorage, Alaska 99510

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 **Resource Development Council**
for Alaska, Inc.

RESOURCE REVIEW

BOX 516

ANCHORAGE, ALASKA 99510

JANUARY 1980

SYMPOSIUM:

INVESTING IN ALASKAN DEVELOPMENT

JANUARY 25 AND 26

ANCHORAGE

SPONSORED BY THE RESOURCE DEVELOPMENT COUNCIL
WITH THE COOPERATION OF THE STATE OF ALASKA,
DIVISION OF ECONOMIC ENTERPRISE

MAKE RESERVATIONS TODAY!

(REGISTRATION FORM ON BACK PAGE)

TIME
SHORT
FOR
SYMPOSIUM
REGISTRATION

Anyone can be a delegate to the Council's "working symposium" being held this January 25 and 26 in Anchorage.

Statewide representation is being encouraged and is, in our opinion, critical to the scope and quality of recommendations the symposium expects to develop.

Two morning sessions are scheduled, during which time thought-provoking experts in various fields will discuss current issues. Following lunch, participants will break into small working groups to consider the subjects presented and develop positions. Issues resulting in major consensus will, if indicated, follow with draft legislation.

Experienced reporters, some who participated in the 1969 Brookings seminars, will assist with preparation of the conference's published report.

TIME IS SHORT. A registration form is enclosed in this issue. On receipt of your registration fee of \$40, material will be sent to stimulate your thinking on issues to be discussed.

Legislators have asked for "informed recommendations" for dealing with unanticipated revenues from oil development. Your input is needed. The purpose of this important session is clearly stated: to influence state policies.

WHO
IS
THE
PUBLIC
SECTOR?

The terms "private sector" and "public sector" connote a static economy that can be divided like pie. The terms are misleading. The economy is a growing and changing entity. It is developed by men and women who themselves grow and change.

The two terms connote conflict between "private" and "public." "Sector" is a battlefield term meaning a subdivision of a defensive position. The word is used to direct artillery, air strikes, etc.

The use of the term "private sector" -- meaning business -- puts the business person at an immediate disadvantage. "Private" here implies a small, unrepresentative group that pursues narrow self-interests (as if a person could stay in business without a regard for the good of others, customers and employees for ex-

ample, or if as good done for oneself did not also benefit others).

The term "public sector" is supposed to mean the American society at large as represented specifically by government. But one must ask, Does government in fact represent my interests or is it opposed to them? -- remembering that the "public" is made up of individuals, including oneself. Ironically most of the "public" is business people and those who work for them.

"Public sector," stripped of its supposed meaning and false connotations, ends up being a euphemism for government regulations or for a government planner's viewpoint.

Editorial for the RESOURCE REVIEW
by David Newton

HAINES
REPORT

Haines residents are eagerly awaiting a State Superior Court Ruling on the merits of a lawsuit filed by extreme preservationists to block the long term State of Alaska timber sale to Schnabel Lumber Company.

The city and borough governments of Haines have entered the suit as co-defendants, and with the backing of a solid majority of citizens in the area, have taken the side of the State of Alaska and the lumber company. Mid-

1970's figures noted that the Haines area could support approximately a 50 million board feet per year timber sale. The long-term sale from the state land is for approximately 12 million board feet over a minimum 15 and up to a maximum 25 years.

Preservationists insist that any annual cut over four million board feet will cause immense environmental damage.

COUNCIL
AND
ADMINISTRATION
AGREE
ON
DEVELOPMENT
POLICIES

Governor Jay Hammond, in a January 9 meeting with RDC officials, announced support of a new, strengthened economic development policy for Alaska.

After several weeks of discussions between the Council and administration representatives, areas of agreement were reached which, according to RDC President Bud Dye, "Cleared the air on the state's intentions toward economic growth."

It is expected that early legislative action, stimulated by Sen. Mike Colletta's proposed resolution supporting adoption of a state econ-

omic development policy, will result in the administration, the legislature and the Resource Development Council working toward unified goals.

The state's economic development plan, now in draft form, is being prepared for public distribution.

Lt. Governor Terry Miller, Commerce & Economic Development Commissioner Chuck Webber and Senator Mike Colletta were instrumental in laying the groundwork for the "new spirit of cooperation between state leaders and

Continued next page

"MOCK"
TELECONFERENCE
SET
FOR
JANUARY 31

Members whose cars automatically drive to the Holiday Inn for Thursday breakfast meetings are advised that January 31 is a special kind of meeting, not at the usual spot.

Charity Kadow, director of the Legislative Information office, 1016 W. 6th, Anchorage, has agreed to give us a lesson in "teleconferencing."

Purpose of the session is to acquaint members with the system's capabilities, but

even more, to help us feel comfortable when testifying via "long distance" before legislative committees in Juneau.

Legislators also use the system to communicate with their constituents, and Ms. Kadow will explain that as well, complete with schedules.

The session begins promptly at 8:00 a.m. Hope you'll plan to be there.

WANTED:
FUNDRAISER.
WILL PAY
\$100,000.00.
CONTACT
BOX 516

While it would be grand to place such an ad in Alaskan publications, we all know hiring a professional fundraiser is not in the cards for RDC.

In RDC, *everyone* is a fundraiser. And it's the time of year to not only renew your membership, but to encourage others to join.

There are many worthwhile, necessary organizations in our state. There is too much to do and not enough people to do it.

With Alaska's small population, many of its "doers" find themselves on the boards or as contributing members of a number of groups. You see the same people, because they care

about the quality of their lives in Alaska, doing the work. These doers, consequently, are overworked and certainly underpaid.

Others admit they don't have time to devote to working on organization projects but help by lending financial support.

Then there are those who do neither, who sit back and enjoy the benefits of the efforts of others.

Fortunately for RDC, most of our members fall in the first two categories. To those fine people, we say "thanks." It couldn't be done without you.

EXECUTIVE
COMMITTEE
APPROVES
1980
BUDGET

After a series of budget meetings, and with full recognition of a severe slowdown in the economy, RDC's executive committee approved an operating budget of \$300,000 for 1980, a substantial increase over last year.

Executive Director Paula Easley said the increased budget was designed so that the Council could take more aggressive approaches to the development issues at hand.

"Too often our effectiveness has been hampered by not having the cash on hand to take necessary actions when they were needed," she said.

The budget includes \$30,000 for special projects and Red Alerts, \$37,680 for litigation/investigative discovery, \$30,000 for support of a Pacific Legal Foundation liaison office in Anchorage, and \$20,400 for conducting statewide opinion surveys.

Easley said the big question was whether memberships, now being renewed for the year, would increase proportionately. She said the staff concurred with the Council's executive committee in that "If we can't raise the funds to do the job right, we might as well give up the battle."

Glenn Briggs, manager of the Eagle River Shopping Center, has tripled the size of his

membership for 1980, which Easley said was a real "shot in the arm." In the letter accompanying his check, Briggs said: "As local economic conditions improve we will consider an additional contribution if such be required to sustain the project. We believe there is a definite need for the service which has been provided by the Council to date and that the need will not abate."

And an Anchorage engineering firm told us: "We've just read your 1979 Review. Nearly every project you've worked on relates to our ability to stay in business. In fact, if you weren't keeping on top of these issues, it would cost us \$50,000 to add a person to our own staff. Incidentally, I'm glad to see you've finally realized the necessity for tackling some of these battles in the legal arena."

Sherman "Red" Smith of Cooper Landing and his wife Nell, new members for 1980, said "You may think we're from the back woods, but we know what's going on. We've read your materials and totally agree with what you're doing. By all means put us on your Red Alert list. We'll send more as we can."

With responses such as these you can expect a more effective council in 1980.

**SEN. PROXMIRE'S
GOLDEN
FLEECE
AWARD**

This one goes to the National Institute on Alcohol Abuse and Alcoholism (NIAAA) for spending millions of dollars to learn if drunk fish are more aggressive than sober fish, if young rats are more likely than adult rats to drink to reduce anxiety, and if rats can be systematically turned into alcoholics.

One such study on the effects of alcohol on aggressive behavior in a species of sunfish, would measure the effects of gin compared to

tequila in a fighting test. "NIAAA seems to be interested in testing what it means to be 'stewed to the gills.' Or perhaps they want to understand what is really behind the expression 'drinks like a fish.' In any case, the application of this 'fishy' research to understanding the problems of alcoholism and aggression in humans will not be swallowed hook, line and sinker by the American taxpayer," the Senator observed.

**RUTLEDGE
TAKES ON
NADER**

Doris Stanley of Energy Systems, Inc. sent these kind words on Gene Rutledge's recent nuclear energy debate: "My family was most intrigued by your recent televised debate on TV Journal 13 (Rutledge-Pro; Nader-Con). It had taken long enough for an industry spokesman like yourself to deal with the nuclear issue in the sober manner required.

"Indeed there are thousands of mature, conservative and respectable people all over the

country who have concluded that nuclear power is not worth the risks associated with it. Your response to the critical concerns we all have satisfactorily addressed . . . questions on health, safety and economic factors. Accordingly, we feel very positive where before our biggest fear was the industry's secrecy."

Ms. Stanley concluded with the suggestion that the program be aired again.

**CANDIDATES
ASSISTED
BY
RDC
STAFF**

Political candidates, as they announce their plans, are being offered technical assistance by the Resource Development Council. Candidates new to the political arena find they are expected to be "experts" on everything from biomass to mine-mouth coal power generation. "Mr. Candidate, what is your position on (AGSOC, the capital move, petrochemicals development, bottomfishery potential, Alaska 1984, etc.)?"

Candidates are given a list of files and library materials available at RDC so they can study the pros and cons of each issue and broaden their understanding of the myriad of Alaskan resource subjects. A private office is also made available for their use in researching the issues.

This research capability, while costly to maintain, has been an ongoing function of the Council for members and the general public.

**PETROCHEMICALS
REPORTS
AVAILABLE
FOR
REVIEW**

Three consultants -- Bonner & Moore, Chem Systems and Birch, Horton, Bittner & Monroe -- were retained last year by the Alaska Royalty Oil and Gas Advisory Development Board to look at various aspects of petrochemicals development in Alaska.

With a number of "ifs" resolved, the consultants concluded a petrochemicals industry, based on certain products, is feasible for Alaska.

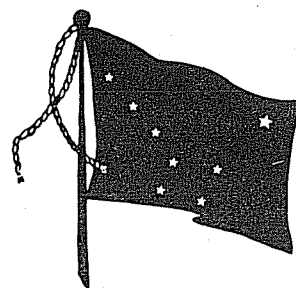
A staff summary of the reports is being circulated to members of the Land, Minerals & Energy Division of RDC and is available to

other members on request.

As expected, Connie Barlow, formerly an assistant to the Commissioner of Natural Resources and now employed by Arlon R. Tussing & Associates, took issue with the reports' conclusions.

Barlow recently asked participants of the Future Frontiers Conference, in a paper entitled "In-state Use of the State's Petroleum Resources," to reconsider whether they in fact wanted petrochemicals development to take place in Alaska.

Attend the
**ALASKANS
CONVENTION**
TROPICANA HOTEL
Las Vegas, Nev.
MARCH 24-26, 1980



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the private sector," Dye said.

During the meeting Governor Hammond was commended by the Council for successfully implementing the Beaufort Sea lease sale and for his support of projects such as Susitna, U. S. Borax, Alpetco, the Northwest gas line and the Haines timber project. Hammond said he recognized the need for improving Alaska's overall investment climate; he said he would oppose further taxation on the oil industry and was confident the legislature concurred.

In good spirits during the lengthy session, the governor quipped that in the interests of achieving stability, he assumed the oil industry would oppose a *reduction* in taxes.

In a report presented to the governor, recommendations were made that development functions within the administration be streamlined and the Division of Economic Enterprise be given staff and funding needed to fulfill its mandate.

**ECONOMIC
ADVISORY
COUNCIL
PROPOSED**

Also during the Council's meeting with Governor Hammond, he expressed strong support for the Council's recommendation that an economic advisory council be created to work with the private sector and state government. The governor and Commissioner Chuck Webber, also present for the meeting, agreed the state needed the best counsel available and could afford to bring advisors together to periodically assess major economic issues. Governor Hammond said it would be good to have people "outside government taking a realistic, practical approach to fiscal, regulatory and investment opportunities and practices."

As envisioned, the economic advisory council would have access to a staff of profes-

sional economists with problem-solving track records.

Paula Easley, RDC's executive director, said the advisory council could: provide new perspectives to decision making; analyze effectiveness of programs as they developed; evaluate impacts of policies and legislation on the private sector; and foster greater understanding of government and private-sector options for developing a sound economic base.

Commissioner Webber, later asked when such an advisory group might be formed, told the **Anchorage Times**, "If the right people appear to want to serve," it might be soon. He said the governor wanted the "highest quality possible."

**QUOTES
AND
COMMENTS**

"Certainly we need to monitor the quality of our environment. Of course we should keep health-threatening chemicals out of our food, air and water. However, with today's consumer advocates leading the show, we are heading toward not only 'zero risk,' but zero food, zero jobs, zero energy and zero growth."

Dr. Elizabeth M. Whelan, Executive Director
American Council on Science & Health,
a public interest group

"Our hope is that this time (during the legislature) more money goes into the actual development of known energy sources such as hydro power and less into pilot projects and planning. Over the past 20 years, this state has planned itself into the point that planning has become a burden. It's time to make investments in production.

-- Ketchikan Daily News editorial

"Remember that any government which gets so big that it can give you everything you want will also be so big that it can take everything you've got."

-- William Miller
former Secretary of Treasury

At the rate the government is leasing land, we'll never find oil. "It's like shooting elephants with a BB gun."

-- Congressman Don Young

"When you tax something, you get less of that thing. We are taxing work, savings, investment, enterprise and excellence, and we are getting less of each."

-- Congressman Jack Kemp

"Inflation is not caused by workers working, by producers producing, by business doing business, by consumers consuming, or by the average American's attempt to improve his standard of living. Inflation is caused when government rolls the printing presses and cheapens the value of our dollar. Recession is caused when government destroys incentives for employment, saving, investment and production." Government *profits* by inflation. "Our 13.4 percent inflation rate raises income taxes by 21.4% because everyone is pushed into a higher tax bracket."

-- Phyllis Schlafly

ANNUAL SUBSCRIPTION -- \$25

SYMPOSIUM: INVESTING IN ALASKAN DEVELOPMENT

FRIDAY, JANUARY 25, 1980

9:00 AM

MASTER OF CEREMONIES: WILLIAM J. TOBIN

MAIN TOPIC:
CAPITAL CREATION FOR DEVELOPMENT

"GOVERNMENT FINANCING PROGRAMS & LEVERAGING"
DAVE ROSE
Executive Director, Alaska Industrial Development Authority, Anchorage

"NARROWING ALASKAN COST DIFFERENTIALS"

"PRIVATE FUNDING OPTIONS"
GEOFFREY D. WHITAKER
Vice President, E. F. Hutton & Co., New York

"CAPITAL COST RECOVERY ALLOWANCES"
J. C. BECK
Public Affairs Director, Western Division,
National Association of Manufacturers, Los Angeles

NOON

LT. GOVERNOR TERRY MILLER

"ALASKA'S PETROCHEMICAL POTENTIAL"

1:00 PM

WORK SESSION

Moderators, Reporters and Conference Participants break into groups
to develop policy recommendations.

SATURDAY, JANUARY 26, 1980

9:00 AM

MASTER OF CEREMONIES: COMMISSIONER CHUCK WEBBER

MAIN TOPIC:
INDUCEMENTS TO DEVELOPMENT

"GOVERNMENT ATTITUDES & ENCOURAGEMENT"
R. WILLIAM JEWELL
Financial Services Manager, Hydrocarbons Dept., Dow Chemical USA, Midland, Michigan

"THE TRANSPORTATION NETWORK"
SIG GRAVA
Corporate Vice President & Technical Director,
Parsons, Brinkerhoff, Quade & Douglas, Inc., New York

"COMMUNITY SERVICES"
MICHAEL M. MITCHELL
Director of Planning & Economics,
Daniel, Mann, Johnson & Mendenhall, Los Angeles

"THE LABOR FORCE"
DWAYNE CARLSON
Executive President, Alaska AFL-CIO, Anchorage

NOON

MILTON COPULUS
Energy Policy Analyst, The Heritage Foundation, Washington, D.C.

"ENERGY DEVELOPMENT: KEY TO ECONOMIC SURVIVAL"

1:00 PM

WORK SESSION

Moderators, Reporters and Conference Participants break into groups
to develop final policy recommendations.