

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 8672

850 SCOMM30: CONFERENCE ON ALASKA'S FUTURE FRONTIERS 1979

1 directed and I've noticed that we've been worrying about
2 some practical details here in the present may not be there
3 further on down the road, so we should just keep a hard
4 line.

5 THE MODERATOR: Did you have something else to say
6 there?

7 MS. STATION: No.

8 MR. McCUTCHEON: With respect to oil and gas, there is
9 no question about it. It's over and done with. The reason
10 we don't have 60-cent gasoline in Fairbanks and 60 cents
11 diesel fuel in Fairbanks is because we're getting raped and
12 the little bit of competition, here along about December,
13 there's going to be a new refinery come along the line and
14 there's going to be fuel and a fiasco coming up there, and
15 there's going to be a little price war going on and a
16 little competition. But right now, anybody that's got a
17 source of oil can finance anything they want to. This is
18 how Alpeck Company put their deal together and one of the
19 saddest things that happened in Alaska, we literally gave
20 all of our future oil away.

21 MS. STRINGER: Any further comments?

22 MS. EASLEY: Paula easily. The appearance of this
23 body has already taken an action that further oil and gas
24 exploration will be substantially delayed.

25 Now, the oil that is already being produced is

1 fairly well permitted, and for anyone to come into this
2 state or someone who's here already to build a refinery
3 under a 20- or 25-year contract must be written that would
4 assure that they would have feed stocks available for that
5 period of time. So you have the problem in the one place,
6 you say we don't want more oil and gas development, but yet
7 you want the refineries here to process what is developed.

8 Do you understand, Madam Chairwoman, what I'm
9 saying?

10 MS. STRINGER: I do, yes. That was it? Kate.

11 MS. TROLL: Kate Troll, Anchorage, and I interpreted
12 that action in regards to oil and gas in the Coastal Zone
13 Management is not saying we don't want it. We just want
14 the time for local input so the local regions can then plan
15 for the impact and have some say in the process.

16 MS. TROLL: So my point is that certainly we have made
17 an effort to go slow for offshore oil and gas development,
18 but we still have quite a few on-shore facilities that will
19 not be impacted by the Coastal Zone Management Planning
20 Program and it is in light of the production of those
21 energy sources that I think we need to say we want some
22 control as to where they get refined and processed. So I
23 think we still have a point of contention here.

24 MS. STRINGER: Thank you. I think we have some
25 wording now.

1 MS. WORL: Yes.

2 MS. STRINGER: Who wants to offer it? Kosita or Jeff?

3 MS. WORL: A resolution that a state policy that when
4 the state develops its natural resources, those resources be
5 processed in the state to a finished and consumable form
6 in the state, and that those resources be made available to
7 Alaskan residents on a priority basis excluding mineral or
8 such as silver and gold.

9 MS. STRINGER: Is there a second?

10 MS. STACHELRODT: Second.

11 MS. STRINGER: Is there a discussion of the
12 resolution?

13 MR. McCUTCHEON: Question.

14 MS. TROLL: I think we already have a question.

15 MS. STRINGER: I wouldn't like to ramrod that through.

16 MR. STEPHEN: Does that answer your concern, ma'am?

17 MS. WIESE: Yes, we're talking about energy and you're
18 talking about all raw products, and there are things like
19 mines in existence that people are trying to develop and
20 they put a lifetime behind them, and I don't think we have
21 the power to suggest that everything has to be in
22 refineries in Alaska. Some things are more economical than
23 in Alaska to try to ship out.

24 MS. STOKES: Would you state the resolution, please.

25 MS. STRINGER: Wilma Stokes ask that you restate the

1 resolution. Could you reread it.

2 MS. WOKL: I move that the state pursue a policy --
3 this is the policy: That when the state develops its
4 natural resources, those resources be processed in the
5 state to a finished and consumeable form in the state, and
6 that those resources be made available to Alaskan residents
7 on a priority basis excluding mineral or such as silver and
8 gold.

9 MS. STRINGER: Frank, you had a comment.

10 MR. WOODS: The lady over there -- Frank Woods,
11 Bristol Bay. The lady says we have to write a contract for
12 25 years.

13 Why do you think that 25 years came into
14 existence? I think it came into existence from the
15 practical experience they have had in the Lower 48.
16 They've got refineries, so in order to tie our hands, they
17 make such a ruling, say that we have to write a contract
18 for 25 years. They don't have the product; we do.

19 MS. STRINGER: Would you like to respond to that?

20 MS. EASLEY: It doesn't have anything with where the
21 facility is. It's a matter of being able to finance it
22 over a twenty-year period.

23 MR. MCCUTCHEON: There is no problem of financing
24 anybody. Anybody that's got the oil can get the financing.
25 Alpeck Company with which you helped to run through which

1 mortgaged up to 80 percent, it's a perfect example of all
2 they do is hustle the legislature, and then they go out and
3 pedal 70 percent of it or more than that or elsewhere along
4 the line, and that tied up our future oil resources.
5 Unless we elect to take it to court in the next six months,
6 we'll be stuck with it.

7 MS. STRINGER: Paula would you like to respond to that?

8 MS. EASLEY: No.

9 MR. STEPHEN: Just an explanation of this in order to
10 clarify. I don't think that we tell the state we want
11 definite legislation to make sure that ever bloody resource
12 we have is produced to a consumeable form, but I personally
13 would like to see that the state pursue an active policy
14 that we try to process all our natural resources into a
15 consumeable form where it's possibly feasible. If they
16 start to begin it, I would like to see them start some
17 legislation or some research in that direction. Can we
18 process timber a little bit more in Alaska before we send
19 it out? Can we process some fish re resources maybe a
20 little bit more? Can we process some types of petroleum
21 products a little bit more? To answer what you're saying
22 down at the end of the table, I don't want to demand every
23 resource because it's economically unfeasible in a lot of
24 cases.

25 MS. STATON: All I was going to ask Mr. McCutcheon,

1 even in Sitka we are looking at oil. Oil has been in the
2 Sitka area. It's not only up here.

3 MS. STOKES: Wilma Stokes. By the same token, I don't
4 want to appear wishy washy. I want to make a firm
5 statement. This is for the future.

6 MS. ROWLE: Marilyn Rowle from Fairbanks. I think
7 that we should distinguish between something like
8 subsistence mining : family to what we're talking about,
9 big corporations here, and I don't know how we can do it.

10 MR. MCCUTCHEON: They did it already. They did it
11 already.

12 MS. TROLL: The wording of the resolution.

13 MS. STRINGER: Would you like to reread the resolution
14 one more time because we've been talking about it so much.

15 MS. WORL: We're talking about a policy that the state
16 pursue a policy that when the state develops its natural
17 resources, those resources be processed in the state to a
18 finished and consumeable form in the state, and that those
19 resources be made available to Alaskan residents on a
20 priority basis excluding mineral oils, ores such as silver
21 and gold.

22 MS. STRINGER: Rosita first but anyone who has not
23 spoken on this, I'd like to speak.

24 MS. WORL: Further for the record and for the public
25 here, I'd like to just emphasize the aspect that I'm really

1 concerned about and that is when resources are developed in
2 Alaska, we should be able to share in those resources. I
3 think that it is more really wrong to have large-scale
4 development such as oil development and then 40 miles away
5 to have houses where heat is not available because the
6 people cannot afford to buy those resources. Those
7 resources leave their area, are shipped thousand of miles
8 away, refined, and if possible, brought back, weather
9 permitting, through whatever kind of conditions that we
10 have in Alaska, and I'm just looking for the state to
11 develop a policy to make sure that the resources benefits
12 us.

13 MS. STRINGER: Now, I'd like to go through and anybody
14 that has not spoken on this topic.

15 MR. SWAIN: Mike Swain. I would like to ask are we
16 talking in terms of 100 percent of refining Alaskan oil or
17 are we talking in terms of refining the amount of oil that
18 would be necessary for Alaska's use and then exporting in a
19 raw form the oil that we don't need in Alaska? What are we
20 talking about here? Are we talking about 100 percent
21 refining and if we are refining, somebody that is qualified
22 to speak on it should speak on the terms of which is more
23 hazardous to transport, refined oil or raw crude? Just for
24 a point of information I'd like somebody to speak to that.

25 MS. STRINGER: I'd like the maker of the motion to

1 speak on it.

2 MR. STEPHEN: Sure. I don't know really, and I'll
3 tell you why, because I don't know much about the refining
4 business, but again, what I think the purpose of this
5 resolution would be would be to give some direction to the
6 legislature, and of course when I've been down there,
7 there's all kinds of oil robbers there. And in the House
8 and Senate that are quite knowledgeable and I would like to
9 give them a general direction if they work it out that
10 maybe we'll just refine heating oil or maybe set up some
11 demands for the next five years or whatever, however that
12 legislation, I'm not suggesting that a hundred percent of
13 everything, but I just want to give them an idea,
14 particularly myself. I don't know about Rosita, but I'm
15 interested in seeing as much processed as feasible. I
16 don't want to subsidize a refinery just so we can process
17 100 percent of the oil, but if we can do it economically
18 feasible, I'm all for it. I'll let the Legislature handle
19 all the details, but not that the lobbyists are going to
20 help us hammer all the deals, but --

21 MS. STRINGER: You've obviously exchanged some
22 information here, but would you like to seek for some
23 reason here at the conference --

24 MR. SWAIN: I'd like to know if there is some
25 transportation expert and perhaps it can be brought under

1 transportation rather than at this time. But I'd like to
2 know the problems with transporting refined oil versus --
3 or if there is a problem. I don't know that there is a
4 problem. Perhaps it doesn't make any difference, you know.

5 MR. MADDOX: The potential dangers are of two kinds of
6 the preredefined product has a high volatility; it's explosive
7 in many instances. The other problem is pollution of
8 marine waterways. Living in Southeastern I'm very
9 conscious of that. Every tanker that leaves Valdez I get a
10 gray hair in my beard because it would only take one tanker
11 in Alaska to do a devastating job on our fisheries. On the
12 other hand should we be transporting by rail or by road? I
13 don't know.

14 MS. STRINGER: Dennis and then Jerry.

15 MR. TIEPELMAN: I think one portion of this, one
16 portion of this energy discussion that's going on, when we
17 talk about refining or processing the in-state use of it,
18 you've got to get back and reflect on the law of economics.
19 Perhaps we process fuel just for purposes of the home
20 heating fuel. Perhaps there's not enough fuel to refine in
21 the first place. So you pay the high transportation cost
22 to maybe bring it somewhere down to the Lower 48 because
23 the refinery capacity and the amounts that they need to do
24 it justifies why it's being done down there as opposed to
25 some people making efforts trying to process that here

1 somewhere in Alaska. Maybe the numbers just aren't there.

2 MR. McCUTCHEON: To answer the man's question about
3 the hazards. Let's say we've got a tanker load of gasoline
4 and we get a collision. Kapouie, they go up, but the
5 marine environment which is approximate to it gets it and
6 then immediately it's gone. You hit a tanker load of crude,
7 collide, then nothing would happen. It just leaks all over
8 and it goes on and on and on and on and on and then it goes
9 out of sight, and what a lot of people don't realize, out
10 of sight. We've got crude rolling all over the bottom.
11 How long it's going to take to get rolling down at the
12 bottom to where the crab fisheries are at -- maybe the
13 water will be warm enough for the bacteria to eat it up,
14 but it's pretty cold. As far as the marine environment is
15 concerned, they do their damage, but it's over with.

16 MS. STACHELRODT: I'd like to make additional comments
17 to his. Maybe we should encourage the state to again or
18 the legislature to again adopt a tanker built similar to
19 the one that was proposed by Chancellor Crockett a couple
20 of years ago, something like that, to protect if we do send
21 oil or gas out, we've got to have some protection.

22 MR. MADDOX: When we bring up that point, you're
23 dealing with transportation.

24 MR. STEPHEN: I'd like to just throw something out on
25 the table, and it just struck me here when somebody was

1 talking, and Dick brought it out a little bit when he was
2 speaking about the environment. I'm not quite sure now
3 after I think about it that I would like to see an oil
4 refinery off of Bethel or around Kodiak somewhere either.
5 The more I think about this, if we're going to pursue a
6 policy of processing, that our primary resources -- I'm
7 starting to think where I want to see an LND plant off the
8 Coast of Alaska. That's a consideration. Now that I think
9 about it, I'm almost thinking I'd rather ship it to Port
10 Angeles in the refinery there.

11 MS. STRINGER: Are you considering the resolution you
12 directed?

13 MR. MADDOX: Let me help him. I think we're going to
14 have to address the issues of areas of seismic activity,
15 areas of potential extreme storm damage, we're going to
16 have to assess the location of other natural resources that
17 might be impacted by the presence of refineries, but that
18 does not preclude the possibility of developing refineries
19 in the state. We'll have to use uncommon sense. Remember
20 what Bucky Fuller said last night. We're not limited by
21 our imagination.

22 MS. STRINGER: I will say it's quarter of -- somebody
23 has five of

24 MR. MADDOX: I have ten to. Let's go by mine.

25 MS. STRINGER: We can get on with the question as soon

1 as we establish how much time we want to devote to this
2 particular time and we want to extend our time and go into
3 the lunch hour. I want to have some parameters established.
4 Does anyone have anything on that?

5 MS. STRINGER: The resolution, do you feel you can
6 conclude it in the next ten minutes or would you like to --

7 MR. McCUTCHEON: Can we conclude it now?

8 MS. TROLL: I have one point to add.

9 MS. STRINGER: Do I get the feeling that we can
10 progress with this and quit before lunchtime?

11 MS. YAMASHIRO: yes.

12 MS. TROLL: I want to respond to a couple of comments
13 is that in my knowledge, the only way you can transport gas
14 is in the liquified natural gas state, so you're going to
15 have energy plants anyway just for access of transportation
16 and also because the Coastal Zone Management Act has a lot
17 of provisions in there dealing with the deciding of oil and
18 gas and LNG plants that the local government is going to
19 have some say in that, and thirdly, it might seem to want
20 to insert the words before economically feasible in this
21 resolution.

22 MS. STRINGER: Are you proposing that as an amendment?

23 MS. TROLL: I cannot propose --

24 MS. STRINGER: Did anybody wish to --

25 MR. STEPHENS: I would make that environmental

1 concerns be considered strictly in placement of processing
2 facilities.

3 MS. STRINGER: Is there a second?

4 MS. YAMASHIRO: Yes, second. I would suggest that we
5 take the time to redraft the resolution and consider some
6 of the factors involved in this.

7 MS. STRINGER: Well, it would seem to me we could do
8 this by the maker and the second agreeing to withdraw it,
9 both the amendment and the resolution and then just start
10 from ground zero either now or later.

11 MR. STEPHEN: As far as my amendment goes, again, I
12 think we're just giving it general direction anyhow and by
13 saying environmental concerns be strongly considered in
14 placing facilities, I wouldn't think that would mean
15 necessarily consider every single environmental concern.
16 This is a general direction. We're really concerned about
17 the environment and the placement of these processing
18 facilities. That was my intent, and I will withdraw it.

19 MS. STRINGER: Rosita? Did you have your hand --

20 MS. WORL: No, I'm thinking that perhaps we might want
21 to make a general policy statement about environmental
22 integrity.

23 MS. STRINGER: As a second resolution?

24 MS. WORL: Yes.

25 MS. STRINGER: Rather than as an amendment to this?

1 MS. WOKL: Yes.

2 MS. STRINGER: That would require withdrawing the
3 amendment.

4 MS. STACHELKRODT: Is it okay to add one more word to
5 your amendment?

6 MS. STRINGER: Right now they're discussing modifying
7 the amendment slightly. What was the --

8 MR. STEPHEN: Jeff Stephens. The amendment, I would
9 like to change my amendment and insert one word and the
10 amendment would read completely as environmental currents
11 be strongly considered in placement of processing and
12 transportation facilities.

13 MS. STRINGER: And I assume your second concurs.

14 MS. ROWLE: Marilyn Rowle, Fairbanks. In drafting
15 the language for the environmental concerns, I would
16 suggest that Dick Maddox get in on this because he said
17 something awhile back about Arctic technology, northern
18 technology, and I think some of that language should be
19 added into that amendment.

20 MS. STRINGER: What's now is being proposed as I
21 understand it would be handled in a separate resolution
22 rather than as an amendment to this one.

23 MR. MADDOX: I will assist as clearly as I can, but I
24 want this to be clearly your statement; not mine.

25 MS. STRINGER: Frank?

1 Mr. WOODS: Frank Woods, Bristol Bay. We're talking
2 about oil and gas. I think if we don't give legislation
3 clear direction saying we want to be able to handle our
4 resources and also have a handle on our resources that are
5 leaving, if you can't keep them, leave them in the ground.
6 It's more money.

7 MS. YAMASHIRO: I think our discussion has been
8 centering around oil and gas, but the policy or the
9 resolution states natural resources which also means fish
10 processing, lumbering, and all the other resources as well,
11 and I'd just like to offer that as a reminder.

12 MS. STRINGER: Any further comments on this especially
13 from people who have not said anything or much. I know
14 there are opinions offered down at the far table, and I
15 don't have a direct line of sight down there, so if you
16 have something.

17 MS. STOKES: You said you were going to water this
18 down, so it doesn't have any oomph have to it.

19 MS. WIDMARK: I think what I've been thinking about is
20 my Alaskan history class that I took umpteen years ago.
21 The big thing that we learned at that time is that all this
22 resource development that did happen in Alaska was not
23 benefiting the state. What happened was we were sort of
24 plain raped. They took the natural resources and took it
25 to the Lower 48. We didn't get any economic development,

1 we didn't get any kind of financial advantage or anything
2 from it. So I was concerned also about the resolution
3 which maintained a strong stand in developing the resources
4 within our state. I know there are all kinds of exceptions
5 that you could make, and you can think of all kinds of
6 reasons why you wouldn't do it here because it's not
7 economically feasible but another thing I think of too,
8 Buckminster Fuller talking last night, we're only
9 restricted by our imagination, and I say with our
10 imagination, we can do it within our state. So I would
11 like the resolution to remain strong.

12 MS. STRINGER: Any last series of comments? Again,
13 we're talking about the amendment to the resolution.

14 MS. WORL: I think we should all run for the
15 legislature and hammer this out for ourselves.

16 MR. TIEPELMAN: I'll be the governor.

17 MS. STRINGER: I think it's time for a woman to be
18 governor, actually. Enough frivolity. Five minutes, let's
19 try to be serious for five minutes. We can't have the
20 question yet because we're talking about the amendment.
21 Does anyone wish to discuss on the amendment, in terms of
22 the amendment, are there any further comments on the
23 amendment? Would you like to reread the amendment, please?

24 MR. STEPHEN: The amendment would add to the original
25 motion that environmental concerns be considered in terms

1 of processing and transportation facilities.

2 MS. STRINGER: Call for the vote.

3 MS. YAMASHIRO: Question.

4 MS. STRINGER: All in favor of the amendment, aye.

5 Any opposed?

6 The amendment passes. Would you please restate
7 the resolution now as amended.

8 MR. STEPHEN: That the state pursue a policy that when
9 the state develops its natural resources, these resources
10 be processed in the state to a finished and consumeable
11 form in the state, and that these resources be made
12 available to Alaska residents on a priority basis, and this
13 would exclude mineral ore, such as silver and gold.

14 MS. STRINGER: Are there any further comments or
15 questions on the resolution as amended?

16 Are you ready for the question?

17 MR. TIEPELMAN: Question.

18 MS. STRINGER: All in favor of the resolution signify
19 by saying aye. All opposed, say nay.

20 The resolution seems to pass unanimously. It's
21 roughly noon now. Have we finished the topics?

22 MR. MADDOX: We still have one left on natural
23 resources.

24 MS. STRINGER: Wait a second folks, let's not break it
25 up yet.

1 Do we have any further topics this afternoon
2 under energy?

3 MR. McCUTCHEON: Frank and I will try for this
4 afternoon. I don't think it will be very controversial.

5 MS. STRINGER: Who has an agenda? At one o'clock or
6 at two o'clock.

7 MR. STEPHEN: One o'clock, work group continuation.

8 MS. STRINGER: Is one can realistic.

9 MR. MADDOX: I'll be here.

10 MS. STRINGER: Thank you for the opportunity. I
11 chaired during the morning. I assume we'll have another
12 chair.

13 (Recess at one o'clock.)
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5 LEGISLATIVE COUNCIL, STATE OF ALASKA

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12 Thursday, December 6, 1979
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23 Reported by: Charlene Beovich, CSR
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2
1 GAMMA GROUP PROCEEDINGS

2 (December 6, 1979, 10:30 a.m.)

3 Kuskokwim West Room

4
5
6 MR. TOMA: My name is Chip Toma. I'm what's called
7 the Facilitator for this group. I'm going to help you come
8 to decisions and resolutions during the course of this
9 short conference. I guess the first impression I want to
10 make on you is that the product of this conference is yours.
11 It's what you brought with you and what you give to the
12 others and how you resolve the issues before us. We aren't
13 going to have an agenda per se, except an outline of one
14 that corresponds loosely to the book. It is the yellow
15 book that we sent out to you, and the supplement, of course,
16 that came out this morning.

17 What we'd like to do this morning for this
18 morning's session is to introduce each other by standing,
19 telling where we're from, our name and some of our hopes
20 perhaps for this conference or for some of our observations,
21 priorities, however you'd like to define it. And we're
22 going to have a questionnaire in about a half an hour. The
23 questionnaire is based also on the issues discussed in this
24 book. We've been working on this headwise for the last
25 couple of months to try to draw a holistic view, I think a

1 proper word in this sense, of the issues before Alaska and
2 all the subsidiary issues that include that, but besides
3 that, this is your conference. We had some priorities for
4 it. .

5 I think you'll see from the questionnaire and
6 from what's been said this morning what those are. There's
7 no sense to reiterate them. If you desire to stay on a
8 schedule and get things done, we can easily do that, but
9 the staff I'll be working with, Ralph and Jake, will help
10 you with the blackboard and with the pad here. And as we
11 come to consensus, we will try to write those thoughts down
12 and by this afternoon, sometime this afternoon, I'd like
13 you to select one or two what we'll call moderators from
14 this group itself and we'll try to organize some discussion
15 with those moderators. And if you'd like me to continue on
16 in this role as a Facilitator-moderator, then you can
17 decide that, too.

18 But if we can perhaps start at the end with Ron
19 Hohman and do some introductions, standing up, telling
20 where we're from, what we're presently doing now.

21 MR. HOHMAN: My name is Ron Hohman. As I said, I'm
22 from Seward Peninsula area with the Marian Streight School
23 District.

24 MR. MACK: I'm Stanley Mack from Sandpoint. I'm with
25 the Electric Company.

1 MS. LUDWIG: I'm Rosemary Ludwig from Sandpoint and
2 I'm on the SIK Council.

3 MS. LONGPRE: I'm Carrie Longpre. I'm a half-time
4 resident of Sleetmute and Bethel, and I live on a homestead
5 there. In Bethel I work with the school district as
6 counseling Tack One Program.

7 MR. MATHIESEN: My name is Andy Mathiesen. I was born
8 and raised in Petersburg. I grew up in the commercial
9 fishery business. I'm in the hotel business and in
10 recreation at the moment.

11 MR. HOLTHUS: I'm Gary Holthus. I work for the Alaska
12 Humanities Forum. It's an informal adult education program.

13 MR. HOPE: I'm Andrew Hope. I'm manager for Sitka
14 Community Association Travel, governing body for the Sitka
15 natives.

16 MR. HARUN: I'm Kevin Harun. I'm with the
17 Borrough Assembly in Fairbanks.

18 MS. ISENSEN: I'm Beverly Isensen. I'm with the
19 municipal government here in Anchorage.

20 MS. JONES: I'm Carolyn Jones. I am an attorney
21 with the State Attorney General's office. I'd like to see
22 out of this conference a rededication to the words with
23 liberty and justice for all, because I see around the state
24 a lot of isolated incidents that all of us are not getting
25 the same quality and equal law enforcement and judicial

1 treatment.

2 MS. HURLEY: I'm Katy Hurley, I was born in Juneau and
3 lived there for some 40 years and we are now living in the
4 Matanuska Valley. I'm a life-long Alaskan and at the
5 present time I'm doing a survey regarding instructional
6 television for the Senate Legislative Committee.

7 MR. HADEN: I'm Haden Kaden from Gustavus, Alaska,
8 which is near Glacier Bay, and I'm presently a guide,
9 outdoor wilderness recreation type guide and part-owner of
10 a guiding business and President of the Gustavus Community
11 Association.

12 MS. HEDLAND: I'm Karen Hedland from Anchorage. And
13 this may come as a shock to most of you, but I'm not longer
14 working with legislative affairs, candidates or League of
15 Voters. I am no longer in either. I now own a music school
16 here in Anchorage.

17 MS. HAYES: I'm Ellen Hayes. I was here ten years ago
18 with the Future of Alaska Seminar, Brookings Institute. At
19 that time I think the reason I was invited was the Alaskan
20 Native Brotherhood in Sitka and Byers Camp had been
21 approached by Mount Edgecumbe Schools about the quality of
22 high school education for Alaska's rural people, especially
23 as located at Mount Edgecumbe High School, which led
24 ultimately to headlines in Alaska Daily News in the
25 Malahooch case. And among other things, the Tlingit and

1 Haida had just in 1968 accepted the judgment, after being
2 in court, what we call, 30 years in the legislative process
3 to have our claim settlement decided upon. And so the
4 Tlingit and Haida had their claim settled in 1968, and one
5 of our primary purposes for accepting that was to help in
6 the all-Alaska Native Claims Settlement and to support the
7 Alaska Federation of Natives, which was really only a
8 couple years old, in getting started.

9 So I suppose my personal life as a citizen of the
10 state has been involved in native affairs and the last ten
11 years in cultural awareness of Alaska native cultures, and
12 now at this point for allowing or providing for publication
13 of native history by Alaska native people from their
14 viewpoint and other things.

15 MR. KELSEY: My name is John Kelsey. I'm in Valdez,
16 born and raised there. My Father was born and raised in
17 Alaska before me. I represent the Valdez Dock Company. I
18 was a member of the Brookings Institute ten years ago and
19 I'm here in the interest of Alaskans.

20 I hope that we can take advantage of some of the
21 lessons, good and bad, that were learned from the Brookings
22 Conference, and I, unlike my friend Ed Merdes this morning,
23 who said we can point with pride to legislation that was
24 passed as a result of the Brookings Conference, I would
25 like to see some of the legislation that was promulgated as

1 a result of that conference repealed. I think we could set
2 a first and not always point to new legislation, because I
3 don't believe in the concept there ought to be a law. I
4 think there ought to be fewer laws. And I think that there
5 are some applications here that could apply, and you'll
6 probably hear from me later along those lines.

7 MR. LADNER: I'm Mike Ladner and I'm a resident of
8 Fairbanks and I work in the transportation industry there.

9 MS. HIGHLAND: I'm Marion Highland from Ninilchik.
10 Originally I was a nurse. Then I was a homesteader. We
11 were in Ninilchik for 31, have been there for 31 years.
12 And I take care of the library in Ninilchik. I'm on the
13 State Library Board and now I've gone into real estate.
14 I'm a real estate salesman.

15 MS. KINGRA: My name is Gene Kingra. I'm from
16 Fairbanks. I deal with displaced homemakers. Two of my
17 other interests are deafness and communication for the deaf
18 and cross-culture communication.

19 MR. HURLBERT: My name is John Hurlbert and I direct
20 the Regional Adult Learning center in Fairbanks. We
21 provide, as the form says, basic academic pre-employment
22 and Career Development Services for adults in Fairbanks and
23 interior Alaska. And I have two very strong biases which
24 I'll try not to thrust on people in the area of education.
25 One is in the area of self-directed learning and the other

1 in terms of life-long learning.

2 MR. MARSHALL: I'm Joe Marshall from Fairbanks.
3 member of the City Council of Fairbanks and member of the
4 North Star Borough of Fairbanks.

5 MS. HUNTER: I'm Celia Hunter. I've lived in Alaska
6 since 1947. I've been associated with building and
7 operating camp Denali in the -- on the outskirts of
8 McKinley Park for 25 years. And also have been associated
9 with the consequent vacation movement in Alaska since 1960.

10 MR. KEENER: My name is Dave Keener. I'm from Kenai.
11 We process salmon in the area. I was born and raised here,
12 included in the Alaska Native Land Claims. And I would
13 like to see a directive towards our natural resources and
14 our human resources.

15 MS. HUSEN: My name is Bernice Hulen. I'm from Kenai
16 also, and I'm a legislative aide for Patrick O'Connell,
17 representative.

18 MS. JOHNSON: I'm Christine Johnson. I'm in Anchorage,
19 but I'm presently working in Juneau for the House Research
20 Agency.

21 MS. LINCOLN: Georgiana Lincoln, originally from
22 Rampart. I'm now residing in Fairbanks. I am presently
23 the Director of Native Services for Chiefs Conference.
24 I've been involved with native affairs directly for the
25 last 17 years. Needless to say that that's where my major

1 input and concern will be at this conference, is in rural
2 and native affairs.

3 Mk. KITO: My name is Richard Kito from
4 Petersburg, Alaska. I'm Mayor of the City of Petersburg.
5 I'm also on the Board of Alaska Council of Village
6 Presidents. I'm also member of the Finance Committee.
7 Also Director of the Housing Finance Corporation. And I,
8 too, was ten years ago in the Brookings Institute.

9 I think one observation is that I think we did a
10 pretty good job. We had a ten-year plan and we spent \$9
11 million in eight and a half years. We run short a year and
12 a half ago.

13 (Laughter.)

14 Maybe we can spend three and a half billion
15 dollars maybe in nine years, and if we do, we've made
16 progress. Thank you.

17 EDIN LINCOLN: My name is Edin Lincoln and I'm
18 from White Mountain. Known in some circles as a house-
19 person and all other circles as a housewife. And as a
20 former school board member I'm here. My primary interest
21 and concern is education.

22 MR. JACK: My name is Carl Jack. I'm commonly
23 referred to as the wind-blown Eskimo from the swamps of
24 Yukon Delta by my colleagues. On the program I'm the
25 President of the Association of the Council of Village

1 Presidents which represents some 56, 57 villages in
2 Southwest Alaska.

3 MR. TOMA: Okay, thank you. One consideration we
4 could have for our stenographer here is for today and part
5 of tomorrow, when we do stand and give our names, try to
6 remember to give your name and she's trying the best she
7 can to remember also.

8 We had a proposed agenda and the reason why this
9 was drawn up was to facilitate some of the people that have
10 contributed papers to this conference, and I'm going to
11 pass this out for your consideration. This is not hard and
12 fast by any means and it is general in this form, too. So
13 consider what we're trying to do. We're going to allow our
14 authors then to float between the groups as it were.

15 Our book is broken into four pieces. We had
16 planned to spend for five groups to spend this morning
17 discussing alternative futures in the broad sense and also
18 taking this poll. Whether we have time to fully get into
19 the goals of this group this morning and then get those
20 defined, probably not. We have about an hour and a half
21 maybe remaining. So we may want to juggle this around a
22 little bit. I'll pass it out and let you consider that.

23 If you like, we'll have discussion on this in a
24 few minutes, and then we'll pass out the questionnaires.
25 Feel free to get some Cokes.

(RECESS)

MR. TOMA: Let me explain this questionnaire if I may. Each questionnaire is prepared for each delegate to self-administer this to you. And it will take about 20 minutes to fill it out. After completing the questionnaires the data will be tabulated and we'll report back to you tomorrow morning.

The questions were drawn from the ideas, conclusions or proposals prepared by the three dozen papers prepared for this conference. If you have not read all the papers, you may find it difficult to understand. If that's the case, please leave the question blank and go on to the next question.

From time to time the name of the writer from whom the question was drawn is also mentioned for your reference.

Please circle the appropriate numbers for each question as you proceed through the questionnaire. In ranking questions, 1 is always the lowest rank and 5 to 10 is usually the highest rank.

Now, there are some corrections within the questionnaire. The responses to question 25 should be, one, "cooperative" and, two, "develop independent plan".

DELEGATE: Say that again, Chip.

MR. TOMA: Yes. responses to questions 25 should be

1 one, "cooperative," and, two, "develop independent plan."

2 In question 72 we mean intercommunity roads, that
3 is, roads between Alaska communities. Question 72 we mean
4 intercommunity roads, roads between Alaskan communities.
5 In other words, connecting.

6 In question 74 we mean intracommunity roads, that
7 is, roads inside the community.

8 DELEGATE: That's what it says. Just take out
9 "Alaska", just take the word "Alaska" out.

10 MR. TOMA: All right, take "Alaska" out then.

11 MR. HURLBERT: When you're doing the rankings, is 1
12 most important or least important?

13 MR. TOMA: One is lowest rank and five and ten is
14 highest. That's the same in all of them. One is your
15 lower and then it goes up to scale to five or ten.

16 Some questions asked for an open volunteered
17 remark, but feel free to write in anything you want on any
18 question. Please make a clear mark on the questionnaire so
19 we can code and process them simply and rapidly. These
20 questionnaires will be collected as soon as you've
21 completed them.

22 (Pause in the proceedings)

23 MR. ROWAN: I might mention to everybody that in
24 sequence 49 to 54, you have a ranking of one to five, but
25 you have six choices, so if you will, add a number of six

1 there.

2 MR. TOMA: On question 36, there's been some question
3 on whether that means is that a future projection or is
4 that a present outlook toward it? It is meant to be a
5 future projection: How would you like to see those
6 facilities given priority in the years to come?

7 I think Karen Hedland made a good point on adding
8 education to that also. Those of you who wish to add the
9 title of Education to the bottom of that list on the end of
10 40 there, 46 I believe, add Education to the bottom and
11 rank those for buildings also, if you would.

12 DELEGATE: Then you have to add another number, 11?

13 MR. TOMA: Well, if you do write it in and actually
14 assign it a priority, we'll give it a special category.

15 Once again, one is low and six is high, six and
16 ten are higher.

17 I guess we'll finish up in about three or four
18 minutes, if everybody is comfortable with that. I'll come
19 around and pick them up for you.

20 There is no hurry on these, of course. I will
21 wait until everybody is finished. Those who are finished,
22 we ran out of coffee, but there is some right outside the
23 door here.

24 Carolyn Jones would like to make a comment on the
25 questionnaire.

1 MS. JONES: Yes, I want to comment on question No. 1,
2 which asks whether I personally prefer a subsistence
3 lifestyle or a lifestyle based on jobs and cash. I had
4 difficulty with that. I think I prefer a lifestyle based
5 on jobs, because I suspect I couldn't survive if I had to
6 live under a subsistence lifestyle. I wasn't brought up
7 that way.

8 But I am concerned that when this information
9 becomes available to us tomorrow and becomes public
10 tomorrow, that the next day the paper will say that a large
11 proportion of the delegates here are moving away from a
12 subsistence lifestyle and a respect for the environment and
13 for those who do live by a subsistence lifestyle, I just
14 want to say the lifestyle that these two questions infer
15 really limit my feelings.

16 MS. HUNTER: I think it's much too arbitrary and they
17 only express the extremes. They don't express the mix
18 which many people have achieving, which I think is really --

19 DELEGATE: That's what I --

20 MK. HOLTHUS: I object to the whole questionnaire,
21 partly on that same basis, because I think the distinctions
22 they're asking us to make are false distinctions, but
23 partly because the rhetoric up to this point has involved a
24 lot of talk about human values, but the questionnaire
25 slights those considerably.

1 For instance, one of the things that seems to me
2 to be sort of a minimum State obligation is the protection
3 of its citizens, but we have an incredibly high rate of
4 violence in this state, not just towards women, but toward
5 kids and assorted kinds of homicide and there's no place to
6 address issues like that or issues related to that, and
7 there certainly ought to be.

8 MR. HOPE: And yes, Chip, I was disturbed over the
9 presumptuousness of the questions relating to the native
10 versus the nonnative, and then within the native community
11 supposedly some are becoming reactionary because of the
12 Land Claim Settlement Act. That's the inference that I got
13 and I don't like that. And the divisiveness of subsistence
14 versus nonsubsistence, supposedly that people in the rural
15 areas are good environmentalists and the ones that are
16 implementing the Land Claim Settlement Act are reactionary
17 developers, and that isn't really necessarily so. And it
18 seemed like there is an attempt to develop polarity. That
19 would seem to be the intent of the questionnaire to me.

20 MR. TOMA: Let's start up the table and give your name
21 then.

22 MS. ISENSEN: I'm Bev Isensen. I'd like to second
23 what Andy has said, because it seems to me if there is a
24 hallmark in what's happened in our society the last ten
25 years it's that we've become more sophisticated in the

1 rural versus urban areas and vice versa and we're more open
2 in recognizing each other's problems and opportunities.

3 One of the aspects of this questionnaire seems to
4 me very, very contrary to what we're doing here and why
5 we're in Alaska and that is that we're -- the questionnaire
6 is an either/or situation in many, many cases, but we have
7 such a multiplicity of life-styles here and that is the
8 essence of why so many of us enjoy living here, stay here
9 or came here. And if we take the approach of the
10 questionnaire, I think we're going to be taking a very
11 elementary approach on how to deal with our problems not
12 only in terms of life-styles, but in terms of education and
13 in terms of what one individual might do to a lifetime.

14 Some of the questions here seem to be indicating
15 that you get one choice in life and you got to live your
16 whole life that way and that has been alive factor when the
17 life span was 35 or 40, but living in a life span of 60 or
18 70 or 80 years, then I don't think we have to say that this
19 person is going to live his life as a rural person all
20 those 70 years or another person has to live as an urban
21 person. And I think that our educational system has to
22 begin to reflect that. The fact that it's possible to grow
23 up, get an education and do something for ten years, then
24 we ought to have the educational opportunities available to
25 reeducate ourselves and do something else for the next ten

1 years and, you know, maybe ten years again move a different
2 way, because potentially we have the ability to have three
3 or four different life-styles in one lifetime and we can do
4 it all in this state if we're not narrow in our approach.

5 MR. TOMA: Thank you, Bev.

6 Mrs. Hurley, did you have a comment? Since we
7 have so many comments, we'll try --

8 MS. HURLEY: I felt the questions, the questions were
9 so narrow for me, lot of times I had to give a negative
10 answer if I was going to give an answer at all, and I don't
11 think that -- so that questionnaire does not really reflect
12 how I feel. In fact the very first question that's there,
13 as Carolyn pointed out, I don't believe that I fit into or
14 that I believe the people who I know fit into either. They
15 made it too narrow, either/or, where I think it's really --
16 you want to have something that's more in between.

17 MR. TOMA: Katy? Ellen?

18 MS. HAYES: The whole questionnaire to me was unsettling,
19 and very heavy, and it represents what we're trying -- the
20 climate that we're going to try to work with in the next
21 couple of days, I think, is thwarted. The enthusiasm,
22 looking optimistically towards what the future holds for us,
23 the options that you're given are too restrictive and I
24 felt like I wish that I had time to have a discussion among
25 people of varied thinking groups so we could look over the

1 questionnaire and see how we felt about it generally before
2 we had the 18 or 20 hurried minutes to try to relate to all
3 the questions in a short time.

4 So I felt, well, it's an unrealistic
5 questionnaire so far as I am feeling this morning, and I'll
6 answer those that I can and I must pass up a lot of them.

7 MS. HEDLAND: My question was that perhaps the
8 questionnaire was intended as a starting point for
9 discussion, because with all the diverse places we come
10 from and the things we do, it's just not a black and white
11 issue, and I do not feel that living in Anchorage, Alaska,
12 I have any right to priorities whether rural areas want
13 railroad Hydra Cove does more than another, but maybe it
14 was just intended as a starting point for a discussion. Do
15 you know?

16 MR. TOMA: Oh, yes, that is exactly the intent. The
17 pollster from reading the issue book and from looking over
18 the supplemental papers was struck with some of the ironies
19 and dichotomies that exist throughout the State, and he
20 described to me, he says, "It's not a rural versus urban,
21 but it's a rural contrasted to urban," and he says, "I
22 think we ought to bring out or at least ask these direct
23 questions and see if we can elicit this kind of response if
24 that's the feeling or not."

25 MS. HEDLAND: There should perhaps have been room for

1 a few open-ended answers so we didn't feel locked in.

2 MR. KADEN: I think perhaps if this is going to have
3 any value, I don't think that, you know, results should be
4 released as a public statement, but perhaps to take the
5 answers now and then at the end of the conference do the
6 thing again, and just how we changed, because there's so
7 many of those issues we haven't had any discussion on.
8 Some of us don't know anything about the area that, you
9 know, we're being asked to comment on.

10 MR. KELSEY: My name is John Kelsey. And I object to
11 the questionnaire in its entirety and I would hope that
12 there isn't very much weight given to it, because I think
13 it's contrary to the intent of the session. I believe that
14 they want contributions from us and not attempt, as they
15 appear in this questionnaire, to direct our answers. On
16 that basis I object to it.

17 MR. TOMA: Okay. Do we have any more additions?

18 MR. HULBERT: Two comments. One, it's always
19 interesting when a group is starting to form itself, to
20 find out what it is that helps form it. It seems to be the
21 questionnaire is to help the group come together. I'd like
22 to add to what's been stated so far in terms of the
23 questionnaire. I think many of the questions were
24 value-charged and also quite biased and for myself I left
25 about half of it unanswered. Useful as a starting point,

20
1 but I think we know more than that. Needs to be entirely
2 rewritten if it were to be reused again.

3 MS. HYLEN: I found it very frustrating and I thought
4 it was really poorly constructed, because the questions do
5 not reflect in any way my concerns or the way I would
6 answer the questions. And so that I can't see that, even
7 though I put an answer, it truly doesn't reflect what I
8 feel, because Alaska is all one state, and to divide it up
9 and say you priortize this or priortize something else is
10 unfair, because they all need to be taken care of.

11 MR. TOMA: Let's come down the line from Marion.

12 MS. KINGRA: I agree with those who have criticized
13 the questionnaire. I think it was poorly conceived,
14 hastily executed and extremely narrow, and life isn't that
15 narrow, and especially here in Alaska.

16 MR. TOMA: Ms. Hunter?

17 MS. HUNTER: I'm Celia Hunter. I'd like to second
18 that. I feel the questionnaire was extremely biased and
19 that most of the questions you could not answer without
20 qualifying your statement, and I think that in a
21 questionnaire like that they should leave the questions
22 open-ended and let people put down their own comments and
23 then distill that if you really want to find out what
24 people think, rather than putting words in their mouths and
25 then assuming that's the way it goes, and I think this

1 should not be given any weight at all in the final analysis.

2 MS. JOHNSON: I would voice the same. My name is
3 Chris Johnson. I don't know what the plan is for this
4 questionnaire, but I would really hate to see it go out and
5 become public and in any way be seen as an expression of
6 the feelings of this group. I think we'd be really stymied
7 if that happened.

8 MS. LINCOLN: It always frightens us when a
9 questionnaire is said, you know, it doesn't carry any
10 weight and it's not going to be used; it's just kind of to
11 get a feeling where the group is at, because I've never
12 seen a questionnaire yet to be used that way. There is
13 weight to that, and there were questions on that
14 questionnaire that I didn't even answer because I felt that
15 it was just black or white, and that there was -- I made
16 comments on I think about 20 of them, the questions, beside
17 my yes or no, and we started off the theme being unity in
18 Alaska, rural, urban, native, nonnative, and as I was going
19 through the questionnaire, I felt that I just got very up
20 tight that this group or the body would be answering
21 questions that were very pointed to rural, to native.

22 And a number of the participants not ever living
23 in the rural area, not knowing what it is, the feelings of
24 the native people, to answer those questions and then for
25 it to come back that that's a consensus of Alaskans, I

1 don't buy that, and I just feel that this questionnaire
2 could have been better utilized. Perhaps the questions
3 themselves are worthy of answering at the end of the
4 conference, but certainly not now when we're just beginning
5 to get to know one another.

6 MS. HURLEY: I would say that I like the questionnaire
7 provided that the results of the questionnaire are not
8 disclosed until after this group sets its policy direction.

9 MR. TOMA: Okay.

10 EDIN LINCOLN: I'd like to concede with people that
11 said, "I would like to see a questionnaire again and do it
12 over again at the end of the two days, three-day session."

13 MR. TOMA: Carl, did you have any comment? Coming
14 around the table.

15 MR. JACK: Well, I share those people that made
16 comments on the -- it was somewhat inappropriate to have
17 the questionnaire at this time at the beginning of the
18 conference. I think it would have been much more
19 appropriate to have the question after the conference. I
20 myself didn't answer a lot of those questions and those
21 questions that I did answer I had to qualify them, not just
22 leave them plain yes or no.

23 MR. HOHMAN: Chip, it might be good to review the
24 intent of the questionnaire. I maybe missed it --

25 MR. TOMA: There were two areas of scenario for the

1 questionnaire. One was to give it at the beginning of the
2 conference, one on Friday afternoon and one at the
3 beginning of the session. The thought was at the beginning
4 of the session, as I said up at the other end, was to
5 promote the discussion and to kick the thing off and this
6 was the pollster's interpretation of what he read in the
7 issue book and then what he considered to be then the
8 contrast that exists in the state, that we still have
9 options to select here. There are options in this thing.
10 There is a rural constituency and there's an urban
11 constituency. This is how he was expressing it to me and
12 he wanted to lay out those contrasts for us to decide,
13 prioritize and to pick and choose, and the reason for
14 giving it at the beginning was to only provoke discussion.
15 It was not to settle or temper this thing. It was to see
16 how much we were able to read and understand from the book
17 and then to provoke discussion from here on in.

18 I will admit that there was another idea to use
19 some of the results, but obviously there's a hundred-percent
20 disagreement with that, so we won't be using the results of
21 the poll publicly or even broadcast throughout the
22 conference. We'll go on to it and decide whether to either
23 reissue it or design another one that's more fitting for
24 the conference itself. With that understanding, I think it
25 has provoked and prompted discussion of the group. So if

1 that's the intent, then I --

2 Mk. TOMA: We might want to set some, not the
3 parameters, we might want to set some of the tone, and I
4 don't think this is a very good tone-setter so far from the
5 comments.

6 (Laughter)

7 MR. TOMA: Move up the table.

8 MR. MACK: I have to agree with Ron, that if this is
9 the case, this questionnaire is just used as a starting
10 point of the discussion, fine, but if that's not the
11 thought, then I agree with it.

12 MS. LONGPRE: I echo everyone else's feelings with the
13 limitations the questionnaire posed, especially the
14 lifestyle descriptions. As a rural person who would
15 seemingly fit into the first category, I don't feel that
16 myself or the rural people that supposedly do fit into that
17 category -- I don't think we fit into that category. We
18 fit more into a combination category.

19 MR. TOMA: The definition was too strict, in other
20 words?

21 MS. LONGPRE: I think there's another category of
22 Alaskans that probably is a combination of both.

23 MR. MATHIESEN: I think part of the reason why we're
24 here is because of questionnaires like that.

25 (Laughter)

1 I'm appalled that the questionnaires still ask
2 whether you're black or white or whether you're male or
3 female. It's unreal, unbelievable, just unbelievable.

4 (Applause)

5 MR. MATHIESEN: Then the whole thing is aimed at
6 development and nondevelopment and just skirts the
7 real-life issues. When we have a state legislature or
8 administration or what have you, I mean it seems to me they
9 have one obligation and that one obligation is to manage
10 our resource so the damn thing is going to be there still
11 tomorrow and the next day and the next year. And if that's
12 the case, why, maybe we should limit the development factor
13 to point along the lines where we can still expect to see a
14 resource down the road some instead of being gone.

15 The short time I've been here we have already
16 lost a good share of our resource and we apparently are
17 about to lose a good deal more. My thoughts.

18 MR. TOMA: The last commentary.

19 MR. HOLTHUS: One of the other things that concerned
20 me was that all the questions related to improvement of
21 government and good government were also related to
22 improved telecommunications systems and I'm not sure that
23 it's necessarily any connection between those two things.
24 At least in States where they do have good
25 telecommunications system I hear people making the same

1 complaints about government that we make up here. And it
2 seemed like that was pretty self-serving.

3 MS. LONGPRE: I'd just like to add that in the
4 questionnaire and all the publications, both in the same, I
5 feel a major State problem in the specially rural Alaska
6 and also in other parts of the state is the alcohol problem,
7 and I feel that should be something that we should --

8 MR. TOMA: Spend some time on, right.

9 Well, as hard as it may be, let's not become
10 disillusioned by this poll. I think we're going to break
11 for lunch here after you make your last comment here, but
12 we'll break for lunch. Consider the proposed outline that
13 we gave you in your issue book and come to some ideas on
14 how you'd like to see an agenda run from here on in,
15 starting this afternoon. I'll be prepared personally to
16 help you with a financial discussion and provide any aids
17 that you need or have some authors on hand for some of
18 these financial discussions. If you do not wish to go into
19 finances and we'd rather go into a more fulfilling
20 discussion on what we should be deciding here, what is an
21 Alaskan? We can then bounce out this agenda and then go
22 into that discussion, alternative futures for Alaska
23 discussion.

24 Go ahead. Is it Mike?

25 MR. HARUN: I was going to add that what struck me

1 were some of the issues that weren't in there, and one of
2 them coming from an urban area, coming from Fairbanks, I
3 think one of the major problems that we have in the state
4 is the way in which urbanization is taking place within the
5 urban areas, and we find, at least I find in Fairbanks,
6 that a lot of our problems that we have in rural areas, a
7 lot of the resource extraction problems, are related to the
8 way that we urbanize in the Fairbanks area.

9 For instance, I drove down to Anchorage the other
10 day and went through Wasilla and it was the first time I
11 had been through Wasilla in a long time and I had
12 remembered Wasilla as being quite a hippie place. And I
13 was shocked at the lack of local indigenous identity to
14 that place. That could have been New Jersey Route 46, as
15 well as Wasilla, and I think something I'd like to talk
16 about is ways in which the State and local areas can make
17 sure that as we do develop in our urban areas and if we are
18 going to suburbanize, that we do it in a way that we retain
19 some kind of an identity, and there are ways of doing that.

20 MR. TOMA: Katy.

21 MS. HURLEY: I just want to say that I think there's
22 something positive about all of this, after listening, is
23 that having done it, we've all expressed some very strong
24 feelings about why we're here and I think we know each
25 other a little bit better, so I thought that was -- after

1 being negative, it would be positive. And thanks to
2 Carolyn for being critical.

3 MR. TOMA: I might mention at this juncture, the long
4 discussions that I had with Chuck Konigsberg, as I guess is
5 sometimes the case when you talk with Chuck, but he tried
6 to impress upon me yesterday, he said, "Whatever you do,
7 don't get bound up in something that's stated as positive
8 and something that's stated as negative." He says, "The
9 world is round and there are those positives and negatives,
10 and they all contribute to the same thing." So with a
11 negative thing such as this, maybe we'll come out positive
12 at the end ununquote.

13 MS. JONES: We found something we all agree on.

14 MR. TOMA: We'll meet back here at two, and if you
15 would, think about your agenda and we'll consider that. If
16 you want to write down a paragraph and suggest an agenda,
17 we can consider that. We'll do it verbally.

18 MS. LINCOLN: Did you seriously mean two?

19 MR. TOMA: Yes, we're going to try to be punctual. I
20 think two o'clock is the time we're due to back here.
21 Would you prefer to meet here at one?

22 Let's make it here at two o'clock. Try and have lunch
23 with each other if you have the opportunity.

24 (RECESSED UNTIL 2:15 PM)

25 MR. TOMA: To briefly explain what this sheet is I

1 just handed out, we ran ads in the Alaska newspapers asking
2 the public to also submit comments, and these people, with
3 the exclusion of five, submitted papers to the group. I
4 have eight packets containing these papers that are listed
5 here in the index. There were five of these left down in
6 Juneau, unfortunately. That's a reference for you. If
7 anyone does want one of those packets to read this
8 afternoon or this evening, I can give it to you, sign out
9 for it, or we can come to some arrangement on the packets.
10 We just couldn't make, you know, 200 packets of these.

11 Also, if you would, add to the end of this list
12 two more papers that were submitted by Fred McGinnis, your
13 Deputy Commissioner of Health and Social Services. It's a
14 very long paper that Fred did on the department and on the
15 programs in the department. He also went to the trouble of
16 getting a list of his recommendations pulled out of that
17 paper. And we are going to have some copies of this
18 available for you today. I'll make copies of that for
19 everybody.

20 The second paper that we have in short supply,
21 but we can also make more copies. It's by Milton Lipton, L
22 I P T O N, and he's the legislature gas and oil expert from
23 Walter Levy & Company in New York. He wrote a paper on gas
24 policy considerations.

25 So we have those other papers available for you.

1 In addition we came up with a form, a
2 recommendation form. After we go through this process, I
3 think it would be very handy for the conference to put
4 their recommendations on these forms and we have a final
5 reporting form of the entire conference. Each room has
6 these. They simply state the group and date,
7 recommendation, general area of recommendation, category,
8 specific recommendation, major factors for considerations
9 leading to this recommendation, the financial impact for '81,
10 projected for the ten years, and then the timing that you'd
11 like to see involved in implementing this recommendation.

12 Does anyone have any comments on this proposed
13 agenda that we gave out earlier? Do you have any feeling
14 toward that agenda, whether you would like to immediately
15 pick up finances and go with that?

16 DELEGATE: What about the first part?

17 MR. TOMA: The alternative futures part. Haden, did
18 you want to say something about the alternative futures
19 part? Do you think we ought to

20 MR. KADEN: I think we need to define the parameters
21 of what we're talking about before we get into the
22 specifics.

23 MR. TOMA: All right, fine. Any more comments on the --

24 MR. JACK: Question here.

25 MR. TOMA: Yes, Carl Jack.

1 MR. JACK: You work on the staff for the legislature
2 of putting this thing together?

3 MR. TOMA: Right, I work with Senator Hohman.

4 MR. JACK: Based on that, for fear of potential
5 conflict of interest of the staff imposing to the group
6 here, I think it would be inappropriate for you, with all
7 due respect to Mr. Toma, to act as a chairman for this
8 group. Therefore, I would, based on that, move to
9 designate -- your name?

10 MS. HURLEY: Katy Hurley.

11 MR. JACK: -- Katy Hurley as the chairman.

12 MS. HUNTER: Hear, hear.

13 MR. JACK: I ask for unanimous consent.

14 MS. HURLEY: Is that to shut me up, Carl?

15 MR. LADNER: Second. I think that's a good idea.

16 MR. TOMA: Sure.

17 MR. LADNER: I think probably to facilitate this thing,
18 even though you're a Facilitator, for ourselves we probably
19 need to establish some sort of parliamentary procedure, and
20 I'll second Carl Jack's motion nominating Ms. Hurley.

21 And it is to shut you up.

22 MS. HAYES: I have a question.

23 MR. TOMA: I would help you out with the chalk board
24 and the easel here, and as we come to recommendation --

25 MS. HAYES: Work with her.

1 MR. TOMA: -- work with her and directly with her.

2 MS. HURLEY: May I ask a question? I'm just to make
3 sure that order is kept and to be the chairman, right?

4 MR. TOMA: Correct.

5 Are there any more nominations for moderator?
6 Maybe a co-chairman to spell off Katy?

7 DELEGATE: I ask for unanimous consent.

8 MR. TOMA: We have a motion for election of Katy
9 Hurley nominated chairman and unanimous consent was asked
10 for. Any objections. Katy Hurley will be the chairperson
11 of the Gamma Group. And the staff will be at her and your
12 disposal.

13 THE MODERATOR: Thank you.

14 MR. KELSEY: May I ask a question? Can we call you
15 Katy?

16 THE MODERATOR: Right.

17 Regarding the agenda, there's been a suggestion
18 that we start with the first item there, alternative
19 futures. Is that agreeable?

20 MR. HOLTHUS: Katy, why don't you sit at the end of
21 the table so we can see you a little better?

22 THE MODERATOR: I guess so. This setup isn't very
23 good. People can't see each other too well. I'll go down.

24 MR. HULBERT: Is it possible to turn all these tables
25 sideways, at least see each other if we're going to talk

1 back and forth?

2 MR. HOLTHUS: I'd prefer that, but it's hardly worth
3 the effort.

4 MR. HUSS: Maybe we can arrange that for some's
5 meeting.

6 THE MODERATOR: I was thinking it would be some kind
7 of a setup where we weren't lined up so much. Maybe we can
8 do that during a break or something.

9 MS. HUNTER: Last time they had them in a U and I
10 think a U works very well.

11 THE MODERATOR: I think so. I felt frustrated this
12 morning because I couldn't see who was talking down there.

13 MS. HAYES: Madam Chairman, this morning our
14 Facilitator mentioned that this process called tentative
15 chairman would facilitate something and I forgot what that
16 something was. The availability of resource people?

17 MR. TOMA: That's correct.

18 MS. HAYES: To float around between the five groups?

19 MR. TOMA: That's correct. That was the only reason
20 for --

21 MS. HAYES: Do you know if that's working at all?

22 MR. TOMA: I think it's working someplace else. We
23 haven't had many authors come in the room here. I asked
24 them. I don't think they did. But we had other authors.

25 MS. HEDLAND: May I ask a question?

1 THE MODERATOR: Yes.

2 MS. HEDLAND: Direct services, finance, and resources.
3 I guess I'm confused. Are these supposed to be all
4 relating to talk in terms of alternative features and
5 specifics? I'm a little be confused.

6 THE MODERATOR: I am too. I was working at the agenda
7 and then in the first of the book they had it broken down
8 into alternative futures which were a few papers on that. I
9 found them most exciting papers myself. I don't know
10 whether everybody had a chance to read those. Then the
11 direct services, and the resources and finances is another
12 group. What is the feeling of the group as far as your
13 priorities? because I can see that we might get into one
14 area and want to go a lot longer on that and maybe the
15 whole group doesn't want to cover every single subject in
16 here. Does anyone have any ideas on that?

17 MR. MATHIESEN: Madam chairman?

18 THE MODERATOR: Andy?

19 MR. MATHIESEN: I should like to suggest that we have
20 probably the most thought-provoking author in the whole
21 country right here in our group and that we do have an
22 author, and I don't like to see that overlooked. Chuck
23 Konigsberg over there has probably contributed the most
24 thought-provoking thing that we should be thinking about
25 here and thinking about the whole picture and we think

1 about all the little parts, I mean they're all in
2 relationship to the whole, and that we can't get ourselves
3 buried in thinking about one little thing without thinking
4 about its consequence on the whole picture.

5 THE MODERATOR: Is it the feeling of the group then
6 that you would like to question Mr. Konigsberg or to go
7 from his paper?

8 MR. HARUN: I would.

9 THE MODERATOR: Chuck?

10 This is Mr. Konigsberg.

11 MR. KONIGSBERG: I appreciate what you're saying. I
12 didn't come prepared.

13 THE MODERATOR: This is Mr. Chuck Konigsberg, if you
14 don't know him, if any of you read his paper in the
15 beginning on A 28.

16 Andy, do you wish to sort of lead off, as long as
17 you brought it up?

18 MR. MATHIESEN: I'm better at taking things apart than
19 I am at putting them together.

20 THE MODERATOR: Well, you got a paper.

21 MR. MATHIESEN: I think one of the first things we
22 have to think about is, you know, like when you think about
23 where you're going, I think about it I guess in terms of a
24 puzzle. You know when you start to put a puzzle together
25 you're dead without the picture, and we're not going to be

1 able to sit here and discuss bottom fishing and unemployment
2 and all the rest of the things until we decide exactly what
3 kind of a picture we want to fit the pieces to. Of course
4 I have an idea what kind of picture I have, but, by god,
5 I'm not sure I could describe it.

6 THE MODERATOR: That sounds like a good point. Anyone
7 else have any comments?

8 MS. LINCOLN: (Georgianna) Madam chairman?

9 THE MODERATOR: Yes.

10 MS. LINCOLN: (Georgianna) I guess I am too confused.

11 THE MODERATOR: Would you say your name? Everybody
12 state your name for the sake of the court reporter.

13 MS. LINCOLN: (Georgianna) On the agenda then are we
14 saying we are going to this afternoon just take up finances --

15 THE MODERATOR: No, we're talking about alternative
16 futures right now. It's the item before the two o'clock
17 which we didn't get to this morning.

18 MS. HYLEN: Madam Chairman?

19 MS. LINCOLN: (Georgianna) Well, maybe if you could
20 summarize exactly what our agenda is going to be for this
21 next day and a half, so we could have some parameters on
22 time. I'm not sure, are we just going to hear from
23 different people? Are they going to come in and talk to us
24 about, for example, the finances, those papers that were
25 presented and the material that we had an opportunity to

1 read and come to some kind of conclusion at that time, or,
2 you know, exactly how are we going to go through this next
3 day and a half?

4 THE MODERATOR: Since I was just elected chairman by
5 you, I have no idea what the scenario was by the planners,
6 but it seems to me that we don't want to spend time having
7 the people who wrote papers reciting the papers to us.
8 You've all had an opportunity to read them. I think what
9 our job is to react and to come up with some
10 recommendations. Are you all in agreement with that?

11 And as far as the agenda, this was a suggested
12 agenda that we discuss finances this afternoon and tomorrow
13 morning resources and in the afternoon direct services, and
14 then at -- we're supposed to go into the evening, but this
15 group can decide and change that agenda right now, and
16 that's what I'm asking for you.

17 MS. HEDLAND: Madam Chairman, I guess I do object to
18 the agenda in terms of finances. If we're going to talk
19 about the financing of what our priorities are in terms of
20 alternative, it would be to know what our priorities are,
21 and it seems like we -- is it something --

22 THE MODERATOR: I agree, go ahead.

23 MS. HEDLAND: -- about the questionnaire, you know,
24 being the kind of reason you come to these conferences. I
25 guess I kind of agree with that. After we talk about

1 finances on the basis of the papers that are presented in
2 this book, and we don't even know what our goals are for
3 alternative futures, I just don't think we can -- I would
4 rather we didn't start with finances because we don't know
5 financing of what.

6 THE MODERATOR: Gary.

7 MR. HOLTHUS: I'd like to suggest that we start with
8 the alternative futures and that we ask ourselves
9 alternatives to what? Not just alternatives among all the
10 various options that are out there, but alternatives to the
11 present. And I'd like to propose an alternative future for
12 Alaska that I would like to see, and then if you could
13 react to that and then we could move on to maybe others,
14 that others would like to propose, so that we have some
15 ideas out there that we're aiming toward maybe. Then we
16 know where we want to put our money. If that's a
17 legitimate procedure.

18 THE MODERATOR: Yes, go ahead.

19 MR. HOLTHUS: If I were going to live in Alaska 25
20 years from now or 50 years from now, one of the futures
21 that I would like for the state is that it be a just place.
22 That's kind of a big term I guess, but it seems to me at
23 present there is a great disparity still in educational
24 opportunity, in health services, in protective services, in
25 justice systems, and so on between urban Alaska and rural

1 Alaska. And until we get a little more equity established,
2 we're going to have a state that has some basic injustices.

3 So I'd like to see a just future. That would
4 include those kinds of justices as well as the legal kinds
5 of justices. That's just one thing. And when I say that,
6 I don't mean that resource development and other things are
7 not important, but they've been overlooked in the papers
8 and the agenda and I think they're important.

9 So if we start there, then I'm sure they'll get
10 in and we can talk about those kinds of issues. If we
11 don't start there, I'm afraid they'll get shuffled aside,
12 and all the other issues that are important, too.

13 THE MODERATOR: Anyone else?

14 Andy?

15 MR. MATHIESEN: I'll get more specific now. When it
16 gets down to in this book here about the general consensus
17 of the ten-year-ago group, many of the consensus that they
18 arrived at at that time are pretty valid today. There's a
19 gross amount of inconsistencies in here, but as far as, you
20 know, to start with, here's one "It's a given right for
21 each Alaskan to choose the environment in which he chooses
22 to live." I think that's, you know, a pretty good
23 statement of feeling.

24 And as far as values that go here, back a couple
25 pages more, I'm going to quote here again. It says what

1 you're striving for. "Primary among values was a regard
2 for the environment and protecting it as well as keeping a
3 certain quality of life in Alaska which all present found
4 vital. A brainstorming session gave these qualities of
5 what was meant: scenic view, unspoiled wilderness, limited
6 population, inflow, freedom, no crowding, right to
7 participate, independence, ability to escape bonds of
8 poverty, grandeur, serenity, vigorous work, good place to
9 raise kids, show place for the world.

10 "In reverse, by the same method, the group
11 indicated these things are not wanted: cluttered highways,
12 traffic congestion, pollution of any kind, poor schools,
13 too many people, poverty, over-exploitation of natural
14 resources, stateside exploitation, colonialism,
15 restrictions on individual, high cost of living, racial
16 problems, slum and urban sprawl."

17 Okay, if that was a goal ten years ago, I doubt
18 if there are many in here that would probably disagree that
19 this probably is still not a good thing to shoot for, but
20 we can't very well shoot for that thing when the same group
21 of people say "We urge the State Legislature to pursue
22 aggressive policy of regional economic development." It's
23 impossible.

24 THE MODERATOR: Go ahead, Bev?

25 MS. ISENSEN: I don't see necessarily a conflict,

1 because when you talk about regional economic development
2 in one area, regional economic development may just be to
3 see that people have a chance to catch fish and market it,
4 if they want to, or to trap for furs and market it. And
5 for one region that may be what they want.

6 for another region they may very well want
7 something different. Fairbanks may want a petro chemical
8 refining plant. That may be what the majority of people up
9 there support. And I still think we have enough
10 opportunity and enough diversity here to be able to pursue
11 the idea of regional economic development, but not have it
12 mean that there's a factory on every river or a pipeline
13 from every pool of oil or gas. So I don't see a conflict
14 in those statements.

15 THE MODERATOR: Andy Hope?

16 MR. HOPE: Madam Chairman, I think the approach to
17 regional development ten years ago might have been laudible,
18 but I think there's a lot of defects in that approach. I
19 think in the future I think we should take more a localized
20 approach, develop the local resources, the local economies,
21 and the local levels of government, and I think this would
22 be fostered more by a sense of self-determination.

23 I think the regional approach, you know, back in
24 1968, '69, their approach was to regionalize the high
25 schools in the rural areas and then we took on the regional

1 approach in the Land Claim Settlement Act to regionalize
2 the corporations. And what happened was, all the
3 governmental, mainly Federal Government programs were
4 regionalized into bureaucratic centers, and at the expense
5 of services to some of the local communities, some of the
6 smaller villages.

7 So I think that in the future we should try to
8 foster development of our local resources, more revenue
9 sharing, more funding put to development of local governing
10 bodies in our communities. And this would include the
11 higher education programs, too, because now you have to go
12 to the urban centers for education, too, Fairbanks and
13 Anchorage. And the Rural Education Affairs Department was
14 created about four or five years ago and it's been
15 developing at a snail's pace, and there hasn't been too
16 much offered to the villages, outside of the cross-cultural
17 development program, and I'd say probably 80 percent of the
18 native students that have graduated from the University of
19 Alaska have graduated through the Cross-Culture Education
20 Development Program, even though 99 percent of the funding
21 for that program came from the Federal Government.

22 Now, the Federal Government has been way ahead of
23 the State government in some aspects. I think in the
24 native communities, like when the Indian Self-Determination
25 and Education Assistance Act passed, that has provided the

resources to develop a lot of local leadership in the native community at the local level. So I think -- and with the funding from the Cross-Culture Education Development Program. I think they have been way ahead of the state in those two programs, in developing local resources and local human resources. So I would make the pitch for increased development of local government, local resources.

THE MODERATOR: Increased development of what?

MR. HOPE: At the local level.

Celia Hunter, you had your hand up a minute ago.

MS. HUNTER: Yes. I think I'm among the initial papers here Bill Spear wrote one that really expressed a lot of the things that I would like to get into this discussion, and he's talking about the two economies that we presently have in Alaska, the one which is very traditional, the very exploitive one that's based on industries and is operated primarily by middlemen, not by local people necessarily. Then he's talking about the second economy which is developing to a considerable extent.

I think that if anybody here attended the Alternative Energy Conference here in Anchorage two or three weeks ago, you saw and evidenced there a vitality and enthusiasm and a sense of comradery developing among people who are looking at the situation in Alaska from "What can I

1 do personally to make Alaska a better place to live in?
2 And how can we utilize the talents and the abilities of the
3 people who are here, not dragging in a lot of outsiders,
4 because they happen to be able to weld a pipeline better
5 than anybody else, but developing that kind of economy
6 which will utilize the skills that we have present?

7 I think I'd just like to read a little bit from
8 Bill's statement here. He's talking about, he's telling
9 about the second economy, "The Neo-Capitalist-Buddhist-
10 Bio Bush-Trickle-Up economy," which I think is a very fine
11 title.

12 THE MODERATOR: What page is that?

13 MS. HUNTER: On page A 13. And he's talking about the
14 fact that the consumers for that economy are right here.
15 He said, "The impetus for this development will be the
16 still struggling appropriate/alternative technology group
17 whose values are self-sufficiency and independence rather
18 than materialism and conspicuous consumption. The economy
19 will be primarily productive, beginning initially with
20 local food production, housing and renewal energy systems.
21 Gardening, indoor and out, subsistence hunting and fishing
22 (watch for a referendum which will seek to avoid race war
23 by excluding all nonresident hunting) will expand into
24 preservation, barter and eventually marketing. The
25 businesses will be microand vary in organization. This

1 economy will be characterized primarily by a much more
2 integrated relationship between the man-made and natural
3 environment, provision of many more economic needs locally,
4 less capital-intensive and more labor-intensive systems of
5 production which will have more personal involvement,
6 decentralization of systems and less emphasis on jobs with
7 more emphasis on livelihoods."

8 I think fundamentally, you know, when we start
9 talking about living in Alaska, there are an awful lot of
10 us who are living in Alaska. We may be a part of this --
11 excuse me, I'll go back to the initial two statements on
12 the questionnaire, in which they were trying to put
13 subsistence on one side, jobs and a money economy on the
14 other. I think that there are a lot of us who are
15 definitely in a money economy. You can't be. I know, even
16 the kids who go out and live in the bush for eight months
17 out of the year have to get a job somewhere to earn the
18 money to live in the bush. You can't live in the bush for
19 nothing anymore. It's just not there.

20 But the whole point is that if we weren't able to
21 get the highest-paying jobs, we take a less-paying job, we
22 would start doing something with our hands to provide that
23 somebody would buy or that somebody would wire us the
24 necessities of life for, in order to stay here. This is
25 what we mean by a livelihood. I think when we try to

1 divide the future of Alaska up and say that either we're
2 going to be the happy savage living out in the boonies or
3 we're going to be the corporate three-piece-suit type
4 downtown, we really are overlooking what is actually
5 happening, which is one of the most hopeful things that
6 I've seen happening in Alaska in a long time.

7 And I think it's creating more self-sufficiency
8 among bush people because they are getting into gardening,
9 they're doing a lot more of their own -- you take a fellow
10 like Dan Denslow, who has got a wind generator. And he is
11 running tools, power tools, with a wind generator. You can
12 get along with power tools, but, gee, you don't have to go
13 pay an electric bill to run your little tools.

14 I think this is one of the things we need to keep
15 in mind as we look at the future of Alaska, how to make it
16 possible for those of us who are here to continue to life
17 here.

18 THE MODERATOR: Thank you, Celia.

19 Karen?

20 MS. HEDLAND: I have this one last observation. Gary's
21 comment was that we should think about a just community 25
22 years from now, and the first speaker talked about
23 regionalization, the second speaker cited local control and
24 Celia just mentioned individuality, and personal, you know,
25 endeavors, which shows where we're at really in terms of

1 who is supposed to make a habit.

2 You know, somebody mentioned the Federal
3 Government and somebody mentions the state government and
4 somebody mentions the individual government. To me you
5 sort of have to focus in on, you know, who is the one
6 responsible for this just community, which is a real
7 interesting way to begin, but the only thing that struck me
8 was that the first three people thought it should be
9 regional and then local and then personal. Always it's
10 going to come back to the same question: Who is
11 responsible in the long run? To me that's kind of where we
12 have to start, you know. Alaska is exciting, but what do
13 we do? Do we give every individual so much money and every
14 community so much money? Who pays for it?

15 MR. MURRAN: I've been listening to these things.
16 There's a proposal by Gravell and possibly other
17 legislators in which we formed a public corporation that
18 will benefit individual Alaskans. I really oppose that,
19 because I don't think the state should be involved in
20 forming a corporation. If it fails, if that corporation
21 don't make any money, to appropriate more money to a point
22 where it's another ineffective agency, even if you call it
23 a corporation, I oppose that. I oppose that very much so,
24 for purposes, because I don't think a state should be
25 involved in forming a corporation for benefit of the State

1 disbursing monies to individual Alaskans. I really oppose
2 that.

3 And also, there's also hesitancy on the part of
4 the governor to give monies for developing the gas line to
5 the Lower 48, our neighbors down there.

6 People may think that we are helping the big
7 multi-oil corporation, multi-nation corporation, for
8 purposes of generating them for the bigness, you know, but
9 I think everybody should know that our United States
10 government, as far as energy needs are concerned, there's a
11 very definite problem. It's a problem because of
12 international situations in which our oil from Iran, as you
13 pretty well know, is being cut out, and I think if it helps,
14 if Alaskan gas line helps to develop, to deviate by so many
15 percentage points on a nationwide basis, then it will help,
16 help not only Alaska, but also the people in the Lower 48,
17 dependency on oil of foreign people.

18 THE MODERATOR: Thank you.

19 Getting back, Gary?

20 MR. HOLTHUS: No, go ahead, Carl.

21 THE MODERATOR: Excuse me, Mr. Jack.

22 MR. JACK: First let me clarify the statement I'm
23 going to make, is that the State of Alaska is operating on
24 the State Constitution and in the State Constitution there
25 are basically two entities to provide the services. The

1 first one is a borough and the second is municipalities,
2 second-class municipalities.

3 So those are the governments which by democratic
4 process essentially dictate the lives of individuals in the
5 future, unless constitutional convention occurs to alter
6 these two types of government to provide these services.

7 So in looking at the index of -- or what we're
8 going to be discussing within the next two days, I see two
9 major areas in which the services will be provided. One is
10 the type of government that will be utilized either based
11 on the existing State statutes utilizing the borough
12 government and the municipalities. So the type of
13 government I think is going to play a major role in paving
14 the road of what's going to be happening within the next
15 ten years.

16 Tied to that here I see education, transportation,
17 law and justice, resources. We can talk about all of these,
18 but if we don't first identify the type of government to
19 manage these in the financing part of it, then I don't
20 think we're going anywhere. So to me the most important
21 ones that should be addressed are the types of government
22 and, secondly, the financing end of it to support these
23 services either direct or developing of the natural
24 resources.

25 THE MODERATOR: Thank you.

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Gary.

MR. HOLTHUS: I think maybe it would help if we could clarify the difference between ends and means. It seems to me what we're asking when we propose alternative futures is the establishment of some ends that we want to reach. When we talk about economic systems and development of whatever kind and government systems, whether they're regional or state or local, we're talking about means to accomplish those ends. So it seems to me, at least for a little while, we ought to stick with this business of what our ends are that we want to accomplish, and then figure out how we structure the economic system and the justice system and the government and whatever to accomplish those ends.

THE MODERATOR: The young man from Fairbanks.

MR. HARUN: I agree, and going back to your -- you're Greg there?

MR. MATHIESEN: Andy.

MR. HARUN: Andy. Andy mentioned, he made a statement more to the effect that he --

THE MODERATOR: Can't hear you, Kevin.

MR. HARUN: He looked at the past meeting and described what some of the goals were of Alaskans ten years ago. I personally agree with those goals as enumerated there. I think, for instance, personally I want a life-style that has the values of friendliness, of freedom,

1 of open space, things that Alaska has quite a bit of, and
2 other places don't have very much of.

3 Now, Andy sort of was leading to the question of,
4 "Well, is economic development inimical to what we want? I
5 also want economic development. I also want to have a
6 livelihood. I also want that open space. I also want that
7 freedom. I want everything. I want my log cabin and be
8 able to go to Kentucky Fried Chicken." That's the problem
9 with Alaska right there, is that we seem to want everything
10 at once.

11 Now, they're not all mutually exclusive. We can
12 find common ground. Now, I guess what my feeling is that
13 the fundamental problem we're going to be facing over the
14 next ten years is what to do with all this money. Money in
15 itself can be a problem. It can be a curse as well as a
16 blessing. And that money frankly scares me, because I
17 don't know what we're going to do with it. What I see, I
18 see some trends in the state that I'd like to see us going
19 in a different direction, and to tie in with what the other
20 speakers were saying, what Sue was saying and Gary, what
21 the fellow here from Sitka was saying about regional and
22 local education and economic development, I think we really
23 need to decentralize the process. I think that's one of
24 the most fundamental issues before us, is the structure,
25 the structure of government, how services are allocated.

1 And I think as much as possible, we're a very
2 diverse state, as is evidenced in this room, and I think
3 that should be one of the goals that we should pursue in
4 general, is decentralization. That goes for everything:
5 power structures, economic development. We need to tailor
6 it to fit the locale and into what people want.

7 Who am I to say what somebody else wants
8 somewhere else? I know personally what I want. And within
9 my own region we have diversity. I think within my region
10 I'd like to pursue that diversity. But I think that should
11 be a fundamental goal.

12 Along with that you have a corollary, and that is,
13 I think, self-sufficiency. I think all of our different
14 regions are going to have to become somewhat self-
15 sufficient in doing what they do best, be it fishing, be it
16 agriculture, be it tourism. We have to be able to take on
17 a little bit on our own rather than having the State
18 provide things for us.

19 These billions of dollars every year could be a
20 curse, because it could be the State doing things for us.
21 I think that money should be channeled into self-
22 sufficiency and the decentralization, and that's basically
23 my philosophy where the money should go.

24 MR. HURLBERT: I'd just like to make a suggestion
25 about the process, a process suggestion. Since we have a

1 flip chart, and if you could act as a recorder. --

2 MR. TOMA: Sure.

3 MR. HURLBERT: See, what we're basically going
4 through is a basic area of concern. Would it be possible --

5 THE MODERATOR: I thought he was doing that, putting
6 down --

7 MR. TOMA: I was using the blackboard for a moment
8 until we came to some consensus.

9 MR. HURLBERT: If we're just doing a general survey
10 of concerns, would it be possible to put the concerns on
11 the pages, the flip chart, and then just tape those to the
12 wall as we go? And then we'll have a group memory of
13 what's going on.

14 THE MODERATOR: Can we do that?

15 MR. TOMA: Sure

16 MR. HURLBERT: Because there's an awful lot of
17 information by memory of people.

18 MS. HYLEN: Madam Chairman, it's good for every group
19 to do justice, I mean have their own planning and so forth,
20 but sometimes one group's planning comes over onto another
21 group who may not quite agree with that. Take some of the
22 areas like outside of Anchorage, probably outside of
23 Fairbanks. The people are living in a big community, but
24 when they have their recreation, they spill over into other
25 areas and take over. Now, maybe that other area doesn't

1 quite agree that they want all of these people. What do we
2 do about that?

3 MS. HAYES: I have a couple remarks. I hope I don't
4 forget the second one, but the other is to support the
5 question you raise, and that is there are some regional
6 concerns to every local community. And where it's logical,
7 the two need to communicate, so that you're not duplicating
8 or abusing the energy and resources that can be shared with
9 other communities who have a similar schedule or concern.
10 So it seems like though I agree that the local strength is
11 very important of any community, they still are connected
12 within a regional area. Perhaps in problems of energy or
13 whatever, there are some of those connections.

14 What I want to stress is within the next ten
15 years or as time moves on for future Alaska, is that we
16 give recognition and respect to private entrepreneur
17 services. Very, very important. I'm not as impressed when
18 conglomerate oil companies come to Alaska as I am to
19 encouraging and giving due respect to a private citizen
20 providing services for a local, regional or state-wide area.
21 For instance, contracts for construction: Describe the
22 kinds of wood you will need. Oak, for instance. This
23 disallows Alaska resources. It has to come from somewhere
24 else in the Lower 48, not because it's the best, but
25 because that's the way the specifications are written.

1 Specifications need to give respect to our local areas, and
2 where we can encourage intra-Alaska resource and services,
3 I would like to see Alaska do that and give a lot of
4 excitement to that.

5 THE MODERATOR: Thank you. Gary -- or, I thought,
6 Gary, you had your hand up. Oh, it was Andy.

7 MR. MATHIESEN: Madam Chairman, you know, it's nice to
8 discuss these things, but we can't continue. I guess we
9 can; we've done it for ten years. We're going to still
10 continue to skirt the real issue. We have not established,
11 like Gary says, the end or the picture that we want. We
12 must do that. I don't know. Like the money isn't a
13 problem. The problem is worrying about what they're going
14 to spend the money on to keep it from distorting the
15 picture that we want.

16 We've already tried to set up the picture that we
17 want. I don't know why we don't get down to nailing it
18 down.

19 THE MODERATOR: Well, I gathered that what we're doing
20 now is reacting to Gary's suggestion and we're coming up
21 with different ideas of achieving this. Am I right, or is
22 this --

23 MR. MATHIESEN: Well, we can't achieve an idea until
24 we identify what the idea is.

25 THE MODERATOR: Well, his suggestion is that we have a

1 just future in all areas, education and justice.

2 MR. MATHIESEN: I think that's too broad really. I
3 think that's pretty broad and --

4 THE MODERATOR: Okay. Karen?

5 MS. HEDLAND: I think there's some validity. Some of
6 u are saying, just like you did, we've done this for ten
7 years, we've rediscussed and rediscussed, but if we were
8 just to get reactions as to what is a just community in
9 your mind 25 years from now and how would you go about
10 providing it, we would have to point to specifics. For
11 instance, you know, everybody says they're not concerned
12 about money, but we all know that's not true, because in
13 the back of the heads is, "Where is the money coming for
14 small businesses? Where is the money coming for jobs?"

15 We talked about contracts and so forth. So
16 that's not true; we are concerned about money. Part of it
17 is, what is a just distribution of the State's wealth in
18 terms of encouraging the economy? because, like it or not,
19 you got to have a line with it.

20 The other thing is, what is just in terms of
21 education? It's the same thing. We're preparing for 25
22 years from now. I think that's kind of an interesting way
23 to approach it, is to find out what is just in other people's
24 minds, because what's just to me might not be equitable in
25 somebody else's head, and it's kind of an interesting

1 concept. And, sure, it may be broad, it may be vague, but
2 at least it gives us something to talk about. What is
3 failure? What is trust? And it's kind of interesting when
4 we approach it that way.

5 THE MODERATOR: John Kelsey.

6 MR. KELSEY: Madam Chairman, I get the feeling we're
7 trying to reinvent the round wheel. Ten years ago it seems
8 to me we were involved in the same discussions. I applaud
9 the various suggestions of what we should do. I think each
10 and every one of us that have made a suggestion has merit.

11 I would like to get back to what Gary said
12 earlier, and that is, offer an alternative. I suggest that
13 one of our alternatives is fiscal responsibility. I submit
14 that we have been an irresponsible fiscal period beginning
15 with the \$9 million, and I think I represent a good number
16 of people in the state when I say that I think that we're
17 unhappy with the way that they spent our money and that we
18 should use that as a lesson to go from this point on.

19 I submit that one of our alternatives is fiscal
20 responsibility, and apply it to all of the various programs
21 that are being promoted. I'm not against any of them,
22 because I think they all have merit, but I think we're
23 going to have to go back to what Andy said earlier, and
24 Gary, is that we have to apply some good business judgment
25 in the use of that money.

1 I'll use one example. I know the Anchorage
2 people are interested in a causeway across the way, and I
3 think that's probably commendable, but I do think that we
4 should approach it on the basis of, if we put up the money,
5 then you should have to charge the Alaska Railroad, the gas
6 pipeline, the various people who are going to utilize it at
7 all, so that the money is paid back and then is available
8 for the fishermen or the agricultural people, so they can
9 use it in their programs. I think it's a responsibility we
10 have not only to ourselves, but the future generations.

11 I submit that fiscal responsibility should be one
12 of our alternatives as to what we're doing now.

13 THE MODERATOR: I'll let Bev speak.

14 MS. ISENSEN: John, I wonder if you couldn't define
15 that further and give more examples and maybe you could
16 define a little further why you think the money was not
17 well spent, why people notice things like the school
18 instructional programs which the State has helped finance
19 in the rural and the urban areas. How does that fit with
20 the definition of fiscal responsibility, or doesn't it?

21 MR. KELSEY: Well, my response to that, Bev, is that I
22 don't say that any one program is bad. I think there are
23 certain social programs that you're going to have to fund
24 that are, you know, that you can't pay back, but there are
25 too many give-away programs. And if we look at foreign aid

1 as a prime example, when we start giving money away, we
2 automatically gain the animosity of those same people
3 eventually. I think that we should do it on a business
4 like manner. I agree that there are times when there are
5 certain projects that you can't get your money back, but I
6 think we should limit it, like a sensible business would
7 approach their problems, and I think we've been totally
8 irresponsible in the past in this, and I think we have to
9 address that at this point.

10 THE MODERATOR: I think what Gary was suggesting, his
11 suggestion about the just future, had to do with the more
12 human and personal qualities, and what you're talking about
13 is more fiscal and getting down into finances and specifics.
14 I think that those are two different areas. I hope I'm not
15 wrong in interpreting what you're saying, but I think that
16 maybe we're here to sort of dream of it and look into the
17 crystal ball and come up with -- maybe some of us want to
18 be practical and some of us want to dream, so I'd like to
19 keep it on those two levels rather than getting specific as
20 to the fiscal. I think that would come more under the
21 finances.

22 THE MODERATOR: Yes, Gary.

23 MR. HOLTHUS: I sort of agree with what you're saying,
24 but I like what John says. I mean part of my dream for the
25 future, what makes a just future, is a certain amount of

1 fiscal responsibility. I think that's a perfectly
2 legitimate end to try and work for. I think where the
3 discussion and the argument comes is over what we mean by
4 responsibility and how we achieve responsibility. So John
5 and I may differ on what we invest in maybe, or something
6 like that, but I don't think we disagree on that as a goal
7 or an end that ought to be accomplished.

8 Certainly our economic system is fraught with all
9 kinds of irrelevant responsibility and that we need to put
10 an end to, and, you know, that includes some of the most
11 obvious kinds of investments that we make with the money
12 that we have.

13 THE MODERATOR: Anyone else before Kevin?

14 MR. HARUN: I just want to make a question, ask a
15 question.

16 THE MODERATOR: Okay.

17 MR. HARUN: We're discussing fiscal matters here. As
18 a follow-up to what the gentleman from Valdez is saying, we
19 need a specific to go along with it, as a suggestion.

20 MR. KELSEY: I'd like to respond to that. I fully
21 intend to, when we get into finances, to come up with some
22 specifics to probably answer what you're saying and maybe
23 Beverly at the same time. I totally agree with Gary. I
24 have no quarrel with what he's saying. I just think that
25 you have to apply fiscal responsibility to the goals that

1 you may want to achieve. And it gets back to what Andy was
2 talking about earlier. If you don't do that, then your
3 alternatives really are worthless. That's my only point.
4 When we get to finances I think we'll have some specifics
5 we can talk about.

6 THE MODERATOR: Does anyone else have another --

7 MR. MATHIESEN: I just want to add that a just future
8 is not limited to fiscal responsibility.

9 MR. KELSEY: No, no.

10 MR. MATHIESEN: A just future to me, for instance, is
11 that my children's children are going to be able to enjoy
12 at least some part of Alaska the same way I do, and if
13 fiscal responsibility denies that, then we weren't
14 physically responsible. That's one of my major concerns
15 and why I'm here, because I think what we call fiscal
16 responsibility will soon deny us the pleasure of living
17 here, the way we're going about it.

18 THE MODERATOR: Why don't you come up with a
19 suggestion that we can put up here as to what you feel
20 would help to sustain that for your children?

21 MR. MATHIESEN: Well, it's kind of difficult in just
22 about two shakes of a lamb's tail. For instance, as an
23 expansion, you know, you see an expansion of a network of
24 roads. My god, that's going to deny what she goes down to
25 Sleetmute for. That's going to deny what I spent 50 years

1 in Petersburg for, but what it's going to do, it's going to
2 make a really good gung-ho highway department and that type
3 of thing. I mean --

4 THE MODERATOR: Maybe we should take that very subject
5 right now as to how do you feel about the development of
6 roads?

7 MR. MATHIESEN: Expand that out to education.
8 Education is a big thing in here. All right.

9 THE MODERATOR: Let's start with the roads.

10 MR. MATHIESEN: I think everybody knows here, excuse
11 me, that the Eskimo culture for, godsakes, has been the
12 most successful culture known to man. Are we up there
13 learning anything about it? Hell, no. We're up there
14 trying to destroy it and make them fit to ours. I mean
15 we're so farfetched in what we're trying to accomplish,
16 it's embarrassing to even be a part of it sometimes.

17 MR. MURRAN: Thank you for the Eskimo culture.

18 Okay, here's the thing that -- my concern. Like
19 I come from a small village of Hooper Bay. And talking
20 about equal and just legislation, where I come from there's
21 been a lot of gripes from the City government to the State
22 government demanding an opportunity for them to get a good
23 road, a good airport, a clinic, the road systems, the
24 sidewalks, and many other things, and yet both the State
25 government and our immediate representatives have not been

1 effective representatives of our people in legislature. An
2 equal and just legislation, that is not an equal and just
3 legislation. And mostly they say that Anchorage
4 legislators are far more powerful than most legislators.
5 They get most of these monies for the programs and not
6 enough money left over for proposed legislation.

7 This is something which I think should be brought
8 up on what you mean by just and equal legislation. I'm
9 concerned because I'm demanding to know why our legislators
10 are not responsive to our problems in that particular
11 village, and other villages are experiencing the same
12 problem in their areas.

13 THE MODERATOR: Bev?

14 MS. ISENSEN: I don't know how much money Hooper Bay
15 gets, but I do know that for every dollar from the State
16 treasury that comes into Anchorage, \$11 goes into Bethel.
17 And there has not yet been any perfect formula devised that
18 accounts for differences in population, differences in
19 costs of projects and differences in needs, but I think
20 that we are improving our performance when it comes to
21 trying to see that those areas which have the greatest need
22 and the least resources are getting more and more of what
23 they need. Never having been to Hooper Bay, I don't know
24 what you had there ten years ago.

25 MR. MURRAN: Excuse me. What's your responsibilities

1 with the State government?

2 MS. ISENSEN: Well, at what point do you think that
3 the local government -- what kind of responsibilities do
4 you think they ought to take? What kind of saying do you
5 think they ought to have in determining what the life-style
6 is like there?

7 MR. MURRAN: Well, what I'm trying to say, excuse me,
8 Madam Chairman, --

9 THE MODERATOR: That's all right.

10 MR. MURRAN: What I'm trying to say, when there's an
11 appropriation of monies, like eventually like
12 appropriations for a great big bridge to Kenai, maybe
13 hundred-million-dollar bridge or something, like he was
14 talking about, and possibly federal building or something
15 to that nature, those buildings they need in Anchorage,
16 basically what actually our needs are, our municipal needs,
17 municipality needs in the government of Hooper Bay are not
18 very high as far as dollar signs are concerned versus the
19 municipality needs of Anchorage, but still they are
20 definite needs?

21 And the problem areas of our people in sewage,
22 sewage and also in road systems. Right now because of this
23 disaster we have our road is nonexistent anymore, and the
24 State about a few years ago just spent over \$800 million on
25 the road and right now, according to their estimates, I

1 think it will take about \$2 million to appropriate that
2 type of money to come up with a good dependable road system
3 to the airport.

4 There's a lot of sewage health problems that
5 derives from open sewage disposals. I think that those are
6 basic human needs, the basic human village needs that ought
7 to be addressed and be informed upon to our legislators and
8 the State government.

9 THE MODERATOR: Thank you.

10 MR. JACK: Madam Chairman.

11 THE MODERATOR: Yes.

12 MR. JACK: I think we're somewhat getting away from
13 the main subject matter before us. I notice that the last
14 few comments we made relates to direct services, such as
15 government, et cetera, education, which we are going to
16 discuss within the next couple days. I think we should try
17 to bring ourself to the subject at hand about alternative
18 future.

19 At this time I would go on the record in
20 supporting Mr. Holthus, Gary's, point of having an
21 environment that is just for all the citizens and for the
22 type of government to ensure that as one of the primary
23 goals that should come out from the Gamma group.

24 THE MODERATOR: Thank you. I think -- go ahead.

25 MR. KADEN: In the Brookings report, it's the first

1 page after the last green page in the book, their alpha
2 group set goals for the future of Alaska. I think that
3 they might provide a good place from which to work, or
4 maybe there can be some additional things added to that. I
5 don't know if you -- everybody can look at it or I can read
6 it out, I don't know.

7 THE MODERATOR: Go ahead.

8 Mk. JOHNSON: Would you say where it is again?

9 MR. KADEN: It's the first white page after the last
10 green page in the Brookings report.

11 THE MODERATOR: It's the report of 1969.

12 Mk. KADEN: The future which maintains "A harmony
13 between man and natural environment, strict controls on
14 pollution and environmental degradation.

15 "One where the emphasis is on living, not just
16 making a living.

17 "One which places technology and material
18 development in the service of man, not vice versa.

19 "One where ethnic, racial and cultural diversity
20 is a proud and cherished accomplishment; where
21 discrimination has been eliminated or minimized and where
22 all men are truly brothers; where the individual is freed
23 from the terrible psychic burden of feeling superior to the
24 fellow man for reasons of race, creed, wealth or position.

25 "One where good health is assumed as a right and

1 men are not expected to compete to achieve it.

2 "One where the arts, the contemplative life in
3 other cultural pursuits receive equal attention with
4 material activity.

5 "One where the political process achieves and
6 deserves respect through participation of alert, active
7 citizenry."

8 I think there are other things that could be
9 added to that, but that seems to me to outline it pretty
10 good set of goals for the future.

11 MS. LINCOLN: (Georgianna) I had my hand up ten
12 minutes ago to call point of order. I still -- I'm uncomfortable
13 with and I ask the question, again I guess, on our agenda.
14 I know it's written here. You know, here it's 3:30 now and
15 I don't know how long we're going to go, but we haven't yet
16 gotten to the finances, and I read somewhere in this
17 literature that a paper was written on mom, apple pie and
18 something. I feel like the alternative futures are
19 somewhat like that, mom, apple pie and alternative futures.
20 We can go around and say, you know, what we think the
21 alternative future for Alaska should be, and I feel
22 frustrated in that, as I understand, and I might be wrong,
23 is that there are facilitators or other people that are
24 wandering in and out, and we have someone who was suggested
25 to speak on a paper they wrote. I know that there are