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ADDRESS BY U. S. SENATOR MIKE GRAVEL
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Mr. President, Mr. Speaker, members of the Sixth Alaska State Legislature.

I am very grateful for the opportunity to come before you today. It was my honor and privilege to serve like you in the Alaska Legislature. I know how meaningful that service can be to Alaska. Your decisions directly affect all our lives and our future. And this is a great responsibility.

There comes a time in each one of our lives when events reach a crescendo requiring momentous decisions. It may be a choice of profession, a marriage, the decision to go or not to go to college or the decision to live in one community and not another. Decisions made at such times of crisis or opportunity chart the course of our lives and mark indelibly. They can never be erased.

Organized governments also reach such crossroads. Alaska is such a place today.

Decisions of the greatest magnitude and importance are being thrust upon us. These are truly historic days for Alaska. And we must seize the opportunities presented and install in place the building blocks for a stable, healthy, prosperous future.

Perhaps within the term of the Sixth State Legislature, and certainly within the term of the Seventh, the following events will occur:

First, the development of what is certainly the greatest oil-bearing province in North America -- right here in Alaska.

Second, the settlement of the land claims issue -- a question that has confronted the United States for 84 years.

Third, the development of a communications system that will finally link all areas of Alaska with one another and with the rest of the world.

Aside from Statehood, these three events will be the most significant in our State's short history. And all will likely occur at once, or so close in time as to work a virtual revolution on our lives.

Those of us here today, those of us who hold positions of public trust and responsibility, can guide these events. We have it within our grasp:

To eliminate unemployment in a State where unemployment has become for many a permanent way of life.

To end the isolation of the Bush and the cultural and economic handicaps caused by that isolation.

To give all children in Alaska an acceptable level of education, a goal that only a few years ago seemed visionary.

We have it within our power, and our purview to make a successful assault on most of the economic and social problems of Alaska.

Let me be specific.

Let's talk about jobs. Alaska has the highest rate of unemployment in the United States. We all know that problem. It has greater meaning for us than a mere statistic. Most of us have traveled Alaska and know countless men and women who simply can not find work.

The background of that problem is well known. It involves Alaska's remoteness from other States, the boom and bust construction cycles, the lack of resource development. But the elements are changing. The explanations for continuing high rates of unemployment in Alaska are no longer valid. Development is moving ahead in Alaska at a frantic pace. And the recent announcement that the oil industry plans to construct a billion dollar pipeline from the North Slope to Prince William Sound illustrates the magnitude of that development.

Immediately after the announcement I met with representatives of the oil companies that will share the cost of the pipeline. I outlined to them the extent of our unemployment problem -- the human and economic loss. I encouraged them to give us a chance to show what Alaskans could do.

The meeting led to others. In recent weeks we have worked with the industry in developing necessary data on the type and number of skills that will be required in Alaska. The Community College, at my request, has prepared materials for presentation to the industry -- suggestions on various job training programs, cost estimates and timetables.

Alaska is an oil State. And it makes considerable sense to me that we should approach the industry, not with fear or opposition, but with a true and business-like accounting of what Alaskans need. From the work that has been done so far, I think economics will encourage the industry to become deeply involved, as full partners, in a massive job training program for Alaska. I think it will make sense for the industry to hire the products of that program, to hire those who wish to remain in Alaska, rather than those who are merely passing through.

One executive of a major oil company now operating on the North Slope told me that he saw no reason why ninety per cent of the pipeline and oil rig employees could not come from Alaska.

The federal government, only now, after decades of experience in Alaska, is beginning to understand the economics of hiring those who will remain in Alaska. The oil industry need not repeat the government's costly errors.

I have a meeting scheduled with Governor Miller to discuss this question in detail and plan to keep the members of this Legislature fully advised of our progress. I have established lines of communications with the leaders of the firms directly involved in North Slope production and I have received firm assurances of interest and firm expressions of cooperation.

I hope to present to the Governor and to this Legislature some time in March a set of specific proposals for a massive assault on the employment question. We may never again find the industry as interested in helping to resolve the Alaska unemployment question as it is today.

I consider this a climatic crossroads. If we handle ourselves responsibly, and with full awareness of the opportunities, we can end the unemployment curse of Alaska. We should strive for nothing less than that.

Next, I want to discuss the Land Claims question.

Eighty-four years ago Congress said that the Natives of Alaska had rights to the land they use and occupy. And Congress reserved for itself the right to decide how extensive those land rights were and how the federal government would deal with their disposition.

Congress, in my view, is finally prepared to make its decision. The climate in the Senate appears excellent. The Chairman of the Senate Interior Committee, Senator Jackson, is committed to a settlement. He firmly believes it should be a generous settlement and that it should come this year.

Let's analyze for a moment the importance of an early settlement -- its importance to all of us, Native and non-Native alike.

Tens of thousands of Alaskans live in the rural areas of our State. They live in primitive housing. Statistically they are our Nation's most likely candidates for disease and early death. They receive substandard education. Their traditional life, based on the use of the land for hunting, fishing, and trapping, is becoming less and less possible as a form of subsistence.

Each year tens of millions of dollars of state and federal funds are expended to assist Native Alaskans. For the most part, the effort has been misdirected. The problems have been accentuated, not resolved. Those in the urban areas must pay taxes to sustain what is essentially an immoral and unjust form of paternalism.

Some progress has been made in recent years, most of it through the efforts of Native leadership. They have forced all of us to look closely at the problem. They have forced us to work on ways for solving it. What they are saying is simply this: Give us a chance to lead our own lives, to be ourselves, to make our own way. We have problems greater than most people who live under the American flag. But give us a grubstake and let us try to solve those problems.

The Land Claims are valid because the Nation has an obligation to be just to the Alaska Native. And it takes on even greater importance and urgency when we consider that the settlement, if it is adequate, should mean the end to extreme poverty in rural Alaska. It should mean the beginning of an opportunity for tens of thousands of Alaskans who at this moment are caught in a cultural and economic vice that has prevented them from sharing fully in the benefits that our society offers.

If the claims are not settled rapidly, here are the problems we will face:

Title to land in Alaska will be in dispute at the time of our greatest opportunity for economic advancement.

The Alaska Native will miss the opportunity to be on the ground floor of that advancement and to grow with it.

The frustration of failure will compound the problem, increase tensions and cloud our future, and all Alaska will suffer deeply.

The time is right for settlement. The Congress is prepared to deal with the question. The Alaska public favors a settlement and so does the National administration.

Many details remain to be resolved. The Federal Field Committee, under the leadership of Joe Fitzgerald, has done an outstanding job in laying the groundwork for Congressional action. That work will be translated into a bill that Senator Jackson plans to submit to Congress. I expect the Alaska Federation of Natives to propose another version of a settlement.

And hearings and action on a bill should come quickly thereafter in the Senate.

I intend to work for the very best settlement that we can sell to the Congress. I intend to devote a considerable portion of my time personally to this effort. I think that it is essential to understand that now is the time for decision and that the decision is likely to be the most just and honorable settlement the United States has ever made with any group of native Americans.

The critical element in a fast-moving situation such as this will be communications. The Native leadership must remain in close contact with developments. It must be party to all decisions directly affecting a settlement. This will be costly, but there is no substitute for direct involvement by leaders of the Alaska Federation of Natives. They must be intimately, directly involved.

And so I would ask this Legislature to appropriate whatever funds may be required to assure that the Native interest is adequately represented throughout the Land Claim negotiations in Washington. Whatever the cost, it will be but a fraction of the dividends paid by a just, reasonable and early settlement that satisfies all concerned.

I want to say a word, too, about the importance of the Alaska Federation of Natives to this settlement. The AFN has proven a responsible, worthy spokesman for the Alaska Native. It has earned its place of leadership. And I think we should all recognize the importance of a single Native voice representing the interests of the Native. Many voices would only confuse the Congress and give opponents fuel for their opposition. We must work to strengthen the statewide Native organization. And from that strength we will gain unity and ultimate success.

The third critical decision facing Alaska at this moment involves communications.

Every Alaskan who tries to use a telephone to call long distance understands the communications problem.

Every Alaskan who watches delayed television or does not watch television at all because it is unavailable, knows the problem.

So does the Alaskan in the remote village with a radio-telephone.

And the businessman who needs instant versatile communications for efficient operations.

And the newsman trying to publish a newspaper.

And the family that cannot afford to call the folks back home.

We have the worst communications system in the nation. Possibly we have the worst communications system in the civilized world.

And in my opinion, the sale of the Alaska Communications System to a private carrier under the terms specified by the Air Force will not be a satisfactory solution to our problems.

The buyer of ACS, under the present program, must pay \$28 million for a system that is worth but a fraction of that amount in real value. The buyer must install millions of dollars worth of improvements immediately. He must lower rates immediately. He must continue to operate obsolete, insufficient circuits of his own and he must lease at monopoly prices the circuits the government is keeping for itself. And, finally, the buyer must make a go of it on strictly civilian traffic. Because the Air Force will continue to service all government traffic, including that of non-military agencies, contrary to practice anywhere else in the United States.

It is my belief that when the bids are submitted to the Air Force Saturday, some responsible companies will offer to take the system, even under the incredible terms which control its disposition. They will offer to pay the \$28 million and sink millions more into improvement. And pay the high cost the Air Force will charge for doing business.

And then that successful company will pass its costs on to the Alaska consumer. The outrageous costs involved in the transfer will be built right into our telephone and telegraph rates.

I think the Air Force should get out of the commercial communications business in Alaska. But I believe it is grossly irresponsible to condone the terms under which the Air Force plans to do it.

I told Defense Secretary Melvin Laird personally and by letter that I protest the sale of ACS, and I do so for one over-riding, compelling reason: the Air Force has nothing of value to sell.

In effect, the successful bidder will be buying a franchise. And the Federal Communications Commission and the Alaska State Public Service Commission control that franchise -- not the Air Force.

I recognize that Senator Stevens and Representative Pollock have withdrawn their protests to the sale. My position is quite different from theirs. I am convinced the people of Alaska will pay dearly for this mistake and that we have an obligation to head it off before the transfer is final.

There is an acceptable alternative. And that is satellite communications.

The technology exists right now to supply every community in Alaska -- not just Anchorage and Fairbanks -- but every community in Alaska, including all our villages, with direct television. The technology exists right now to supply every community in Alaska, including the villages, with modern telephone equipment. We have the most advanced long-line system possible -- telephone, telex, wire photo and a wide variety of other sophisticated communications, and we can have it all now. We can have it through satellites, but not through terrestrial communications.

This is no futuristic pipe dream. The cost of a total satellite system would be no more than some companies will offer to pay tomorrow for ACS and the technical improvements ACS will require. At least \$50 million will be spent on Alaska communications in the next few years by the successful bidder on the ACS package. And the result will be a communications system offering only a fraction of the capability that a total satellite system could provide at no greater cost.

And so I have protested the sale. I have urged the Secretary of Defense to call it off, to keep his system. To surplus it if he so desires, the way the government surpluses all other obsolete property for which it has no further use. The people of Alaska, who pay so dearly already for commercial communications and have so little, should not be forced to buy that obsolete system all over again. And that they will do if the present plan succeeds.

We have within our grasp the opportunity to revolutionize Alaska communications, not merely improve it. And I ask you to consider this matter seriously. It is not too late. Tomorrow is just the acceptance date for bids. Much time remains for evaluation and ultimate transfer of authority. It is not too late to act.

And so, three areas of immediate, overwhelming concern to all of us: employment, land claims, and communications. Together they represent opportunity for Alaska such as we have never before enjoyed. Opportunity that must be recognized -- seized.

It is important to completely understand the revolution we can work, if we chose to, and if we chose to do so aggressively.

I want to close with just a word about a man I deeply miss -- Bob Bartlett.

Bob Bartlett broke trail for us in Washington. He made it acceptable there to be an Alaskan. He taught the Congress that Alaska was something special, with its own

special opportunities and requirements. Bob Bartlett wrote volumes of history for us. His legacy is so rich we are only now beginning to understand and appreciate it.

I would give anything to be working with Bob Bartlett in Washington today. But such things are not for mortal men to wish for or determine.

Last week, the United States Senate stopped all other business while Senator after Senator rose to pay tribute to Bob Bartlett. It gave me a deep sense of pride, knowing that he had represented us; that we all had worked together; that he was an Alaskan -- and so am I.

Bob Bartlett modestly, quietly built a record of achievement few could ever hope to match. I listened to that ceremony, and participated in it. And I know that even though he is gone, Bob Bartlett will inspire through example all of us who serve his state, this great State of Alaska.