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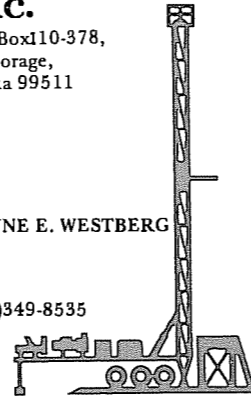
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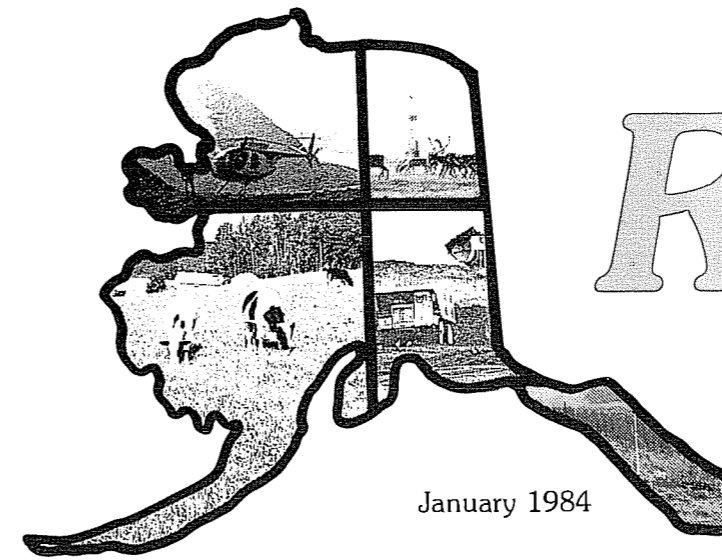
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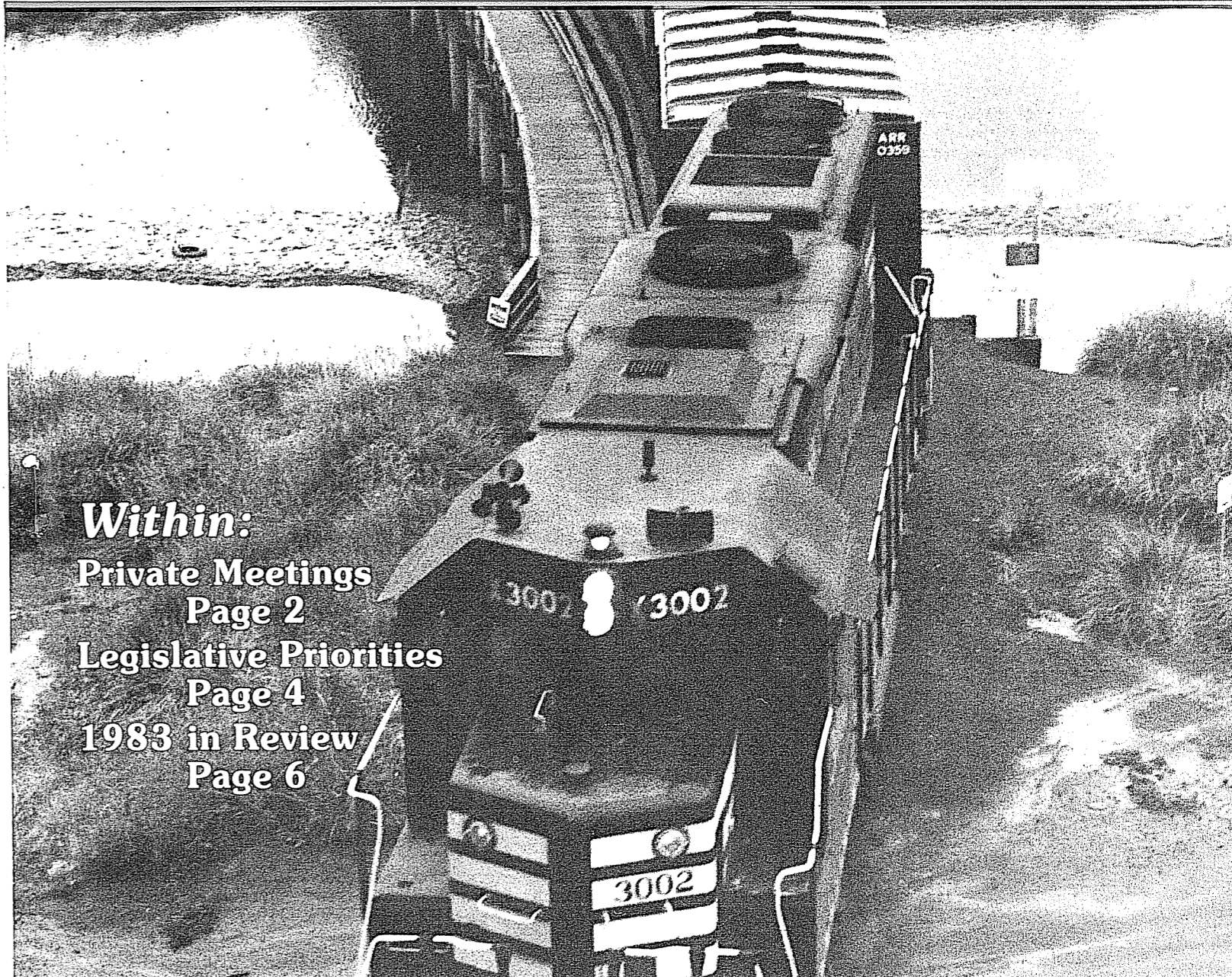
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January 1984

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Resource Review



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Message From The Executive Director

By Paula P. Easley

Private vs. Secret Meetings

An exciting event occurred this December that should have far-reaching effects on Alaska's ability to enhance future development opportunities.

The event was a New York meeting of Alaska private sector and government leaders with some 25 heads of major U.S. Corporations. Purpose of the meeting was to impart information about Alaska resource issues, to create an awareness of Alaska's strategic importance to the nation and her allies and to form a network of influential "friends of Alaska" to advocate on our behalf.

Far different from the elite group of environmentalists from the Southern 48 who coalesced during the d-2 battle as "Americans for Alaska" to oppose the state's development, this group would recognize the key role of Alaska in achieving major national goals.

But you didn't hear much about this event, did you? The Council on Economics and National Security, which cosponsored it, decided early on with RDC's concurrence that, for the utmost in candid discussion to take place, the meeting would be private. An executive summary would be prepared, however, that would report the essence of the meeting yet not breach the coordinators' assurances to participants that their comments would be nonattributed.

What you did hear was that RDC and elected officials from Alaska were participating in a mysterious "secret" meeting in New York.

The Anchorage Daily News, which determined the "secret meeting" story approach might sell more newspapers than would a story concerning the substance of the meeting, had heard about the event for some months. So had numerous representatives of other news organizations. Plans for the program were announced routinely at RDC's weekly public breakfast meetings — well attended by the press — along with the names of the Alaska delegation and corporate participants whose attendance had been confirmed.

Only the Anchorage Daily News voiced its objection to the privacy decision and asked to attend. The conference coordinators said "no, if we open it to one media representative,

we must open it to all, and then we may as well scrap it; the executives we've invited won't talk with tape recorders, TV cameras and note-takers there."

Alaska's governor and U.S. senators were then blasted for participating in the "secret" meeting even though all three made their comments available to the press and were totally in compliance with provisions of Alaska's Open Meetings Act. Other media using the story continued emphasis on the so-called secret meeting.

The astonishing thing about all this was that the public on this and other occasions recently, has been hoodwinked into believing that **any** meeting, particularly one attended by a public official, must be open to the press!

Let's turn that around for a moment. Should a newspaper's editorial session or financial meetings be open to the public and the media? Doesn't the public have a right to be in on the deliberations when editors endorse or oppose candidates on issues? Should the public, which is so affected by what a newspaper reports, be privy to the debate that occurs concerning publication of sensitive news stories and how they will be treated? Because of the "public" nature of the media, shouldn't salary information of the publisher and employees be public information? Shouldn't an annual financial report be required? Shouldn't reporters be required to identify news sources in their stories?

Of course not. The Anchorage Daily News has every right to hold private meetings (even with the governor) and decide what is confidential as does the Alaska Center for the Environment, the RDC Executive Committee, a bank board or anyone else who chooses to, in accordance with the law.

The point is, newspapers and broadcasters are **businesses** like any other business, whose first priority must be to make a profit.

It is crucial that public officials not allow themselves to be intimidated by the media which strives to coerce them into more open meetings than their own good judgment and the law require.

Alaska's Open Meetings Act and subsequent attorney general opinions on its application should be required reading for media representatives. Those same representatives would do well to ask what they can do to make their presence more positively received by individuals and organizations who deal with them.

NOTE: Two excerpts from the May 11, 1981 Attorney General's Opinion concerning application of the Open Meetings Law to informal meetings conclude:

"But where the committee, task force, or group has no power to act by a vote of its members, has no fixed functions which constitute its business, and has no fixed membership to exercise its power by vote, then the Open Meetings Act, by its own terms, does not apply."

"In summary, it is our view that the Open Meetings Act only applies to **multi-member bodies**, which have a fixed membership, which are supported in whole or in part by public money, and which are empowered pursuant to law to exercise governmental power or to provide advice **through a vote** of their membership. It does not apply to meetings of in-

(Continued on Page 5)

Guest Columnist Wrong Facts On Forest Plan

by Richard W. Tindall

Chairman
Forestry, Fisheries & Agriculture Division

Larry Williams of Girdwood and Nancy Lethcoe of Valdez have recently expressed their views on the proposed Chugach National Forest Plan. Unfortunately, both have stated biases and factual inaccuracies that need correcting.

First, Williams asserts a 76-year precedent of Chugach forest management as primarily for recreation. The early-day miners and loggers on Prince William Sound would have had a good laugh out of that. Until the Sterling Highway was built, just how much public recreation use was made of the Chugach?

Williams also cites an "unprecedented increase of annual timber production from 2.6 million board feet to 21 million board feet." The fact is, in 1972, the official annual allowable timber harvest in the Chugach forest was 71 million board feet. Even at that, knowledgeable professional foresters believed the 71 million was less than half the forest's sustained yield timber potential.

Williams also describes a "diverse collection of fishermen, concessionaires, recreationists, and conservationists" which formulated their own alternative forest plan. I note that foresters were not represented on that planning team. It would worry me if a diverse group of barbers, beauticians and masseuses did the planning for my open-heart surgery, or even an appendectomy.

Lethcoe believes there is little chance of a domestic market for Chugach forest timber, because: (1) these markets are relatively small and (2) high quality wood products from the Pacific Northwest outcompete Alaska products.

The facts are: (1) the Railbelt alone demands 100 million board feet

each year, and the rest of Alaska nearly as much. The market is here, but the opportunity to harvest timber has not been available; (2) Alaska forest products can be transported at a lesser rate, and at quality standards just as high as required in the Pacific Northwest — all that is required are sustained annual timber sale offerings. If annual offerings totaling 200 million board feet were available from federal, state and private (native) ownership in Southcentral Alaska, do you think lumber imported from the Pacific Northwest would continue to account for 99 percent of Alaska's needs?

Lethcoe states that timber harvest in the Chugach forest is not feasible without "a tremendous taxpayer subsidy to private logging companies." If this were true, how could private

forest owners, such as Weyerhaeuser Co., Crown Zellerbach, Boise-Cascade, profitably survive? Where are their taxpayer subsidies coming from? Perhaps it's a difference in financial management. I'm sure the Weyerhaeuser Co., doesn't subsidize its recreation, fisheries and wildlife programs from its timber management budget.

For more than 30 years, the Bureau of Land Management financed its timber management program in western Oregon from less than 10 percent of its net timber sale receipts. Other agencies can manage their operations as well, provided other ancillary programs, such as landscaping, recreation, wildlife, snow rangers, etc., pay their own costs and are not subsidized from timber sale receipts.

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1983 In Review

By Mary Ann Nichols

Congress did a great deal of "homework" in 1983 on national forest wilderness legislation based on the recommendations made by the RARE II program. The Senate passed bills for Wyoming and Missouri, and held hearings on California, Washington, Oregon and Idaho. The House passed major bills for California and Oregon, plus bills for Alabama, Florida, Missouri, New Hampshire, North Carolina, Vermont and Wisconsin.

Congress enacted only one wilderness bill in 1983: the 259,000-acre "Lee Metcalf Wilderness" in Montana. The House version of the Irish (Missouri) wilderness bill deleted a 1,900 acre area because of its mineral (lead) potential.

Progress on the remainder of the state wilderness bills hinges on how long to "release" non-wilderness forest lands from future wilderness reviews. House Interior Democrats

EDITOR'S NOTE: The first session of the 98th Congress ended on November 18, 1983, after lasting 319 days. There were 8,434 bills and resolutions introduced during the session; 165 were signed into law. President Reagan vetoed six bills in 1983, one of which was overridden. During 1983, the House took 498 recorded votes; the Senate took 371 recorded votes. The following has been edited for space.

and environmental groups favor language deferring additional wilderness study until the mid-1990s, while some Senate Energy and House Interior Republicans favor language barring any re-study until after the year 2000. If the impasse over release persists, it could hold up final passage of wilderness bills for any of the remaining major western states next year.

Congress also rebelled against oil and gas leasing in federal wilderness and wilderness study areas by passing a moratorium on the Interior Department's 1984 Appropriations bill. It was the second year in a row that Congress barred leasing in these areas; this year's ban also included BLM wilderness study areas.

Legislation calling for a Council for Minerals and Materials was introduced with hearings held by both the Science and Technology Committee and the Interior and Insular Affairs Committee. What to do about mineral

assessments in areas that have been withdrawn from mineral entry was also the subject of proposed legislation.

1983 saw the resignation of two of President Reagan's top environmental officials. Both Ann Burford and James Watt were viewed as highly controversial and were the subjects of intense Congressional and media attacks. The new EPA chief and Secretary of Interior have assumed conciliatory postures and will maintain low profiles heading into the 1984 election year.

Regulatory reform efforts dealing with mining law administration were undertaken by the Department of Interior in 1983. While no proposed rules have been published, the top Interior lawyer stated in a speech before the American Mining Congress that the Department is looking at a "two-tier" approach to determine a valid location and a patentable mineral deposit. These new regulations are aimed at clarifying the definition of the "law of discovery" and "prudent man rule." An increase in the annual assessment rate requirement was discussed during a meeting in February between BLM officials and a MEC delegation.

The Supreme Court shook Congress June 23 when it decided that the legislative veto device is unconstitutional. The ruling invalidated a tool that Congress has used over the past 50 years to overturn executive branch regulations or orders.

Interior Department officials believe this ruling invalidates the "emergency withdrawal" provisions of the Federal Land Policy and Management Act.

New York Conference

Resource Dependencies Threaten U.S. Security

Executives of major U.S. corporations were warned by the Council on Economics and National Security (CENS) in New York this December that, unless the United States makes some hard decisions regarding resource dependencies, the national security of our nation and its allies is severely threatened.

R. Daniel McMichael and Dr. Daniel I. Fine, speaking on behalf of CENS at a meeting of public and private sector policymakers from Alaska and other states, elaborated on points made at the International Conference on Coal, Minerals and Petroleum held in Anchorage last February.

(See Conference Proceedings, February 1983, available from RDC)

Mineral policies of the United States were so weak when compared to those of the Soviet Union that McMichael and Fine deemed American policies virtually nonexistent. Russia, meanwhile, has embarked on its 15-year "conquer the Arctic" program with the ultimate goals of using her own resources, exporting them at and below market prices and pursuing joint technical and trade agreements with less developed countries and U.S. allies.

The United States, by not meeting resource needs of its allies, supports Russia's efforts to neutralize allegiances and increase the Soviet throttle on resource-poor nations.

It was reiterated that Russia operates some 20 specially designed ice-strengthening polar research vessels, Canada nine, Norway eight and the United States none. With Russia's control of over 70 percent of the Arctic coastline, the determination to explore and develop its resources and the move to integrate Western European and Pacific Rim industrial economies into a minerals and energy export resource supply grid, the Soviets are better able to pursue other foreign and defense policy objectives.

Without question, conference speakers viewed Alaska as a key element of U.S. policy which, if implemented, could work to counter Soviet objectives.

Crucial to this policy is an aggressive strategy that includes immediate reversal of prohibitions on exporting Alaska oil to U.S. allies, initiation of a program to identify the state's resource base, implementation of an Arctic research and development program, lessening of regulatory impediments, expansion of marketing to domestic and Pacific Rim users of resources and construction of basic transportation infrastructure to move those resources.

Firms represented at the December meeting, co-sponsored by the Resource Development Council and CENS, included the Equitable Life Assurance Society, Acres American International, Cominco, the Chase Manhattan Bank, Diamond Shamrock Corporation, Dow Chemical Company, Kidder Peabody, ASARCO Inc., the Canadian Imperial Bank of Commerce, Goldman and Sachs, Manufacturers Hanover Trust, U.S. Synthetic Fuel Corporation, Reader's Digest Association, Anaconda Minerals Corporation, Exxon USA, General Electric Credit Corporation, ALCOA Aluminum, Morrison-Knudsen, WIRES, Ltd., among others.

Comprising the Alaska delegation, which addressed subjects ranging from land use policies to labor capabilities, were Governor Bill Sheffield, Senator Frank Murkowski, Senator Ted Stevens, Chuck Webber, Hank Geigerich, Bob Richards, Eric Wohlforth, Dr. Glenn Olds, Charlie Johnson, Richard Peluso, Bill Purrington, Jim Jinks, Admiral Jack Hayes and Paula Easley.

(Continued on Page 5)

COVER: A recent RDC poll of legislators showed that transportation and resource issues will share the highest priorities in the 1984 session. The Alaska Railroad was the most mentioned transportation issue. See story, page 5.

Printed the second week of each month, **Resource Review** is the official monthly publication of the Resource Development Council Box 100516, Anchorage, Alaska, 99510 — (907) 278-9615.

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Carl Portman
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Resource Development Council, Inc.

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

RDC invites members and the general public to its weekly breakfast meeting featuring local and nationally-known speakers on economic and resource development issues. The meetings are held on Thursday at 7:15 a.m. in the Rony Room of the Pines on Tudor Road. Meeting charge is \$2 and reservations are requested by calling 278-9615.

Membership Information

The Resource Development Council extends an invitation to all persons interested in the responsible development of Alaska's resources to join the Council's efforts. For membership information, contact:

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The RDC business headquarters are located at 444 West 7th Avenue in downtown Anchorage.



"We're Energizing Alaska!"

600 To Attend Conference

As many as 600 people, some from as far away as Australia and Europe, are likely to attend the International Conference on Alaska's Resources February 15-16 at the Anchorage Sheraton Hotel.

Sponsored by the Resource Development Council, Inc., and the State of Alaska Department of Commerce and Economic Development, the theme of the fourth annual event is "A Northern Development Strategy."

The conference will focus on Alaska's vast resource potential, discuss national interest implications of northern development and study critical issues such as transportation, science and technology, government policies and resource needs of trading partners. Conference programs will help establish clear goals in the petroleum, minerals, timber, fisheries and agriculture sectors.

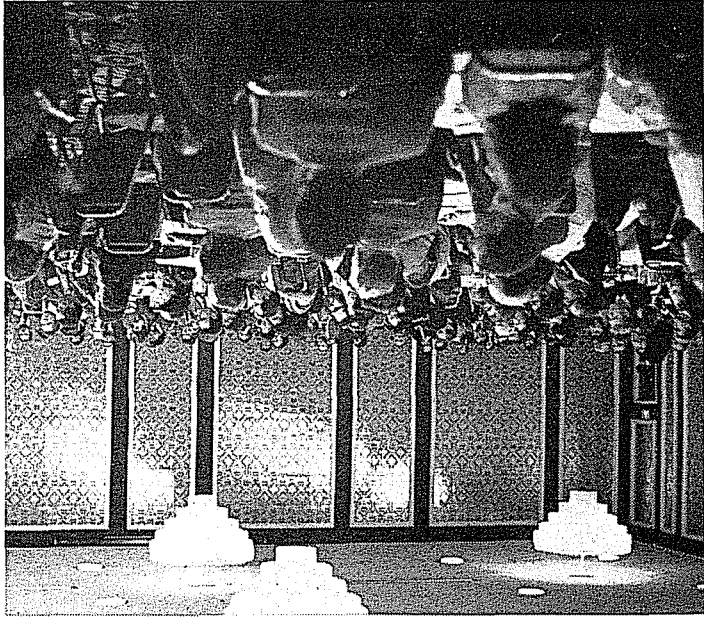
Twenty-eight speakers from Alaska, other states, Canada, Japan, Korea, Taiwan and Europe will focus on a wide range of subjects such as resource needs of trading partners, strategic importance of Alaska's resources, bringing Alaska to the capital markets and developing transportation systems through a rational approach. They will also argue the repeal of the Jones Act and the export of North Slope oil to the Pacific Rim. Registration fee is \$155 before January 20 and \$175 thereafter. Persons may register by calling RDC at 278-9615.

JAL Agreement To Boost Tourism Here

A five-fold increase in Japanese tourism during this decade could be the net result of a U.S. State Department agreement with Japan that permits Japan Air Lines to resume passenger service between Anchorage and Tokyo starting January 1.

The agreement, reached last month, restores rights of the air carrier to have seven roundtrip passenger flights per week. The agreement is significant since JAL in the past has flown the greatest volume of Far East tourists to the state. JAL had lost its Anchorage passenger rights in July when it started bypassing Anchorage to fly direct between New York and Tokyo.

In 1983 the Resource Development Council joined other organizations in supporting efforts by Senator Frank Murkowski to get the Anchorage rights reinstated. Both Lufthansa Airways and Korean Air Lines are awaiting approval of their requests for passenger rights. RDC, the state and the city of Anchorage are supporting an "open skies" policy to provide as many seats as possible to facilitate tourism between Alaska and the Far East.



Hundreds of conference delegates are expected to jam the Sheraton Anchorage Hotel Grand Ballroom for RDC's fourth annual International Conference on Alaska's Resources next month. Last year's event attracted over 500 people.

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Transportation, Resources To Share Priorities

Transportation and natural resource issues will share the highest priorities in the 1984 legislative session, according to a survey recently completed by the Resource Development Council.

In a questionnaire to legislators, the Council asked each lawmaker to identify highest local priorities and statewide priorities for the entire legislature.

Transportation, education, utility services and natural resources were identified as the most important to individual legislators' districts. Other issues of high ranking included housing, municipal assistance/revenue sharing, law enforcement/public safety, marine transportation and facilities, state loans and funding programs, taxes and budgets, tourism and recreation.

Natural resource issues were considered most important for statewide legislative priority with transportation issues receiving the highest degree of interest. Predictably, the Alaska Railroad was the most mentioned transportation issue.

Hydroelectric projects and many of the individual legislators' local priorities were also considered important as statewide issues.

The Resource Development Council conducted the survey to determine whether its activities toward resource and economic development coincided with efforts of legislators in the development arena.

According to RDC Deputy Director Jim Jinks, the results of the survey indicate an acute awareness by Alaska legislators of the necessity to deal with the critical issues affecting Alaska's resources and their wise use.

"Our legislators are aware that Alaska's future is dependent on how they resolve these issues in the coming session," Jinks said. "We are enthusiastic at the prospect of working closely with them and other Alaskans to broaden Alaska's economic base," Jinks concluded.

Far East Trade Mission Set

The Resource Development Council is leading a trade mission-fact finding tour of the Far East May 12-27, 1984. The itinerary includes stops in Tokyo, Seoul and Taipei. The estimated price for the trip is \$2,000, including air fare, deluxe hotels, some sightseeing and airport transfers.

Interested persons should contact the trade mission co-chairman, M.A. Higgins, at 248-0355 before February. Space will be limited to 30 travelers.

Forest Products To Be Discussed

Marketing Alaska forest products is the subject of a seminar scheduled for February 13-14 at the Sheraton Anchorage Hotel.

The program features Jay Gruentfeld, forest resources and management consultant and publisher of the Alaska Forest Market Report. It is especially designed for directors of Native corporations, forest managers, bankers and buyers and sellers of Alaska forest products.

Speakers from throughout Alaska, the southern 48, China, Japan and Anchorage, Alaska 99508. 907-786-4779.

Speakers were commended for their generous contribution on behalf of Alaska's development; by covering their own expenses to participate in the meeting. A future program in the New York area for 300 to 500 people is being considered by conference coordinators. For a copy of the "Arctic Rim 2000" meeting report, send \$5 to RDC, Box 100516, Anchorage, Alaska 99510.

Private (Continued from Page 2)

dividuals, who are public officers or employees, such as the cabinet, but who are not empowered collectively to exercise power or provide advice as a body by a vote of their members."

Private (Continued from Page 3)

New York (Continued From Page 3)