

which concerns all Americans, has the obligation to settle this matter for a sum which is but 10 times the amount of the State settlement.

The recognized judicial basis for the taking of land is its fair market value, and I doubt whether the minimum \$500 million settlement satisfies that criteria.

As a sidenote, I might say that \$1 billion is perhaps inadequate to satisfy this criteria.

Further, the requirement that half of this settlement figure be re-invested in capital improvements means that this will help to lead to the economic development of a vast region of the United States to the benefit of the natives and of all Americans.

With respect to the land grant settlement proposal, it is imperative that these grants do not abridge the 103-million-acre grant of land to the State of Alaska under the Statehood Act.

Therefore, in light of the geography of Alaska, great stretches of which are uninhabitable, the Federal Government must release from withdrawal that part of the 112 million acres of Federal reserve land in Alaska which is necessary to satisfy the native land settlement and insure the State of Alaska 103 million usable acres for selection.

The responsibility for settling the native land claims problem is primarily a Federal one—and it is therefore only fitting that Federal reserve lands be used to help in this settlement.

This is, I believe, a fair basis of settlement for the Alaskan natives. It is also a solution fundamental to the growth and progress of Alaska.

We envision and are moving forward toward the development of the vast hinterlands in the interior and northern regions of Alaska.

The inhabitants of these regions are natives.

The development and production from these areas will be through the utilization of natural resources. This will not only greatly enhance the standard of living for Alaskan natives, but will also provide this Nation with the necessary self-sufficiency of raw materials which are vital for national defense and continued prominence among the industrial powers of the world.

The development of interior and arctic Alaska will insure that future generations of native people can rightfully assume their role in the modern economy.

There is the challenge of Alaska before you today. There is little time for delay. The resolution of the native land claims is one of the first moves forward. The State of Alaska awaits your decision.

Gentlemen, I will answer any questions, if you have any.

Mr. HALEY. Thank you very much, Governor, for your statement. The gentleman from Colorado.

Mr. ASPINALL. Governor, we are glad to have your statement and we will be glad to hear from other witnesses.

This matter was first brought to my attention directly in 1951 before most of you were even thinking about what was involved. It was on my first trip to Alaska when we considered this matter.

As I understand it, what has happened since then has been that the Alaskans desired statehood first. We took upon ourselves the obligation of giving the Alaska people what they wanted. There are those on this committee at the present time who had something to say about that.