

The next overlay shows the land selections made by the State of Alaska since statehood, including lands tentatively selected and for which patent has not been issued. Note that these selections are mostly contiguous to the Federally withdrawn areas, follow the present transportation routes and population concentrations. It is significant to note that neither the Native people nor the State of Alaska have been able to make any dent in the Federally withdrawn areas, especially in Southeastern Alaska.

For example, the Federally withdrawn areas on the Kenai Peninsula, Alaska Peninsula, Kodiak Island, Southeastern generally, Bering Sea, North Slope, and Aleutian Chain have effectively worked to bar economic development because private risk capital is prevented from entering these areas. This has also denied any land base to Alaskan Native villages located in these areas and prohibited State selection as well.

An evaluation of the rural Alaskan areas in abject poverty today can be traced to cumulative deterioration of the normal subsistence economy and Federal requirements prevented the Native people from making the transition from subsistence to cash economy. In general, the remaining lands outside Federal or State withdrawn areas are mountainous, glacial, and barren tundra and have no known resource for the people. The only potential we can see at this time is for development of mineral exploration which as you know is highly expensive and difficult.

We also have overlays showing timber locations by species, game animals, fisheries resource, and lode and placer minerals. These are all self explanatory and are provided for the Committees use and information.

We have prepared for the Committees benefit a map showing the comparison of land distribution using Secretary Udall's proposal, as outlined in H.R. 17129. You will note that based on his formula there would be no significant land base from which villages could develop an economic base. We believe that the villages of Alaska have Native leadership capable of managing and developing on a regional basis and at the local level. In order to accomplish this goal we believe that a minimum of 40 million acres of land is necessary to provide the economic and land base for both rural and urban Native people.

In order to develop the lands we are seeking for the benefit of our Native people, sufficient funds need to be provided. For example, we note that since statehood, the oil industry alone has expended 1.3 billion dollars in overall industry development. In 1967 alone, the oil companies invested more than 380 million dollars, with allied industries investing nearly 77 million dollars. That's for one resource.

We believe that 500 million for village and regional development, an investment by the Congress, is not asking too much. Not when one considers that the basic investment is being made in people—a commodity we can ill-afford to treat in the future as badly as we have in the past.

Mr. HALEY. Who is next?

Mr. NOTT. Representative Willie Hensley.

Mr. HENSLEY. I have some copies of my statement here.

Mr. HALEY. Without objection, all of these gentlemen will be permitted to file a written report or written statement which will be made a part of the record and you may comment or you may read the report.

Mr. HENSLEY. Mr. Chairman, my statement is rather short and with your permission I will read it.

Mr. HALEY. Very well.

STATEMENT OF HON. WILLIE HENSLEY, A REPRESENTATIVE IN THE ALASKA LEGISLATURE FROM THE 17TH DISTRICT, KOTZEBUE, ALASKA

Mr. HENSLEY. Mr. Chairman, members of the committee, I am Representative Willie Hensley from Kotzebue, Alaska. I represent the 17th district in the Alaska Legislature—an area of approximately 90,000 square miles containing about 10,000 people. Two of the largest Eskimo villages are in my district—Kotzebue and Barrow—each with about 2,000 people. I am also chairman of the 40-member Land Claims