

A BRIEF HISTORY OF RESOURCE EXTRACTION IN ALASKA

The native populace of Alaska was exploited by both European and American businessmen without establishing Native industries or leaving resources for use by the Natives. The economic activities were extraction of furs, minerals, and fish. Thus left a diseased native population, driven almost to the point of extinction for lack of subsistence. In the Arctic at the peak of the whaling years the total extraction of whales was appraised at \$14 million dollars, but as the supply of whales was cut off by the whites, the population data reflected the loss to the Natives of this needed resource:

POPULATION			
Place	1823	1863	1890
Point Barrow.....	1,000	309	100
Point Franklin.....	Large	(?)	None
Point Hope.....	2,000	(?)	350
Shishmaref Inlet.....	1,000-2,000	(?)	13

¹ Houses.

This is a classic example of past economic development policy of the European powers without consideration of the Natives of Alaska. The extraction of mineral wealth was the same. At that time the Native populace had no legal authority to secure mineral claims. Therefore, they were excluded from mineral activities because the Native Alaskans were not citizens of the United States. This was the policy of the United States until 1924 when the Native Citizenship Act was passed for Alaska. At that time all the enterprises were owned by the greater American community whose offices were at Seattle, Washington, and San Francisco. The same is true of our fishery extractions at the present time. I would like to quote Alaska Development Corporation's Annual Report; it can speak for itself:

GROWTH IN COMMODITY INDUSTRIES, BY VALUE OF PRODUCT

[In millions of dollars]

Industry	1960	1961	1962	1963	1964	1965	1966
Fisheries.....	96.5	128.7	126.5	104.7	125.0	166.5	185.0
Forest products.....	47.3	44.7	49.7	50.1	58.0	57.5	67.8
Minerals.....	20.6	17.8	18.8	35.2	35.5	147.6	34.7
Oil and gas.....	1.3	17.0	18.8	35.2	35.5	35.6	50.2
Agriculture.....	5.4	5.5	5.8	5.5	5.6	5.2	5.5
Furs.....	4.8	4.2	4.3	4.4	4.4	5.8	27.0
Total.....	175.9	217.9	233.7	232.6	264.0	318.2	350.2

¹ Reflects postearthquake construction.

² Largely an increase in unit prices.

Source: Alaska Development Corporation Annual Report.

As you can see the five hundred million dollars is completely justifiable, along with 40 million acres of land which the Alaska Federation of Natives is demanding. The Congress is going to ask how are you going to spend the money? What will you do with the land if you get it? I would like to ask the Congress how they have developed such an enterprising nation? The development of America has come about by having a sufficient land base. This formula of paying public debt was devised by Alexander Hamilton and his expertise. Social and political resources have not been made readily available to the Alaska Natives. This five hundred million dollars and 40 million acres will suffice for ordinary development among the Alaska Natives. The Federal government under the auspices of the Federal Insurance System has allotted the necessary legal business consultants and the available technological expertise to insure the proper social, economic and political development of those businesses which receive loans from the Federal government, thus making the Federal government the sole underwriter of our great industrial organizations. This form of expertise has not been made readily available to the Alaska Native. The Federal government provided necessary services such as electrical power, subsidizing high cost transportation and