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A Conference on the Future of Alaska – Rogers

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Rogers is speaking and saying it is difficult to figure out how to handle the current conference session [which is the last session of the conference] because he didn't contribute to the earlier sessions. He says his preparation consists of reviewing materials that John [No last name, possibly Osman] sent to the attendees. He says he is hesitant to be critical of an outcome from the proposals and decisions made at the conference but since he is an Alaskan he will be critical. He says the reports [The ones handed out from Osman] are written on two levels. At one level, the people seem to be concerned with translating the decisions of postindustrial societies that have been exposed during the presentations into something in the report. He says there is a vast middle part of the report that still hasn't emerged. John Havelock apparently has said that there is a hidden agenda to the Brookings seminars. Rogers says he is sure there is and he is looking forward to the hidden agenda surfacing. He says as the people go into the final days of the conference he would like to go back to some rather basic questions. First, is the question of "Why were you [the people in the crowd] personally selected to come to this conference?" Rogers says the roster of people attending the conference comes from a wide range of professions and backgrounds. One thing everyone at the conference has in common is that everyone has been in Alaska for varying periods of time and have been able to view how Alaska has changed. The reason the people from the conference are attending is because they are the experts on Alaska. The Delphi Technique is one in which there is supposed to be feedback from experts on a subject. Rogers says the attendees are the experts in Alaska development. He says the University of Alaska and the Brookings Institution would like to have a report printed out. Rogers says the people should consider what is really important in the process. He discusses the difference between which Alaska does things and the way Canadians do things. He says an attendee at the conference asked him if he had copies of reports from the Canadian Transportation Committee he has been serving on unofficially for a number of years. He says this committee [Canadian Transportation] has no particular standing, it doesn't appear in any organization chart, its membership varies over the years, he is the only American member, he says his expenses have been paid. He says the memberships consist of all the first vice presidents in all of the transportation companies in Canada. Two railroads, two airlines, communications, the Bell telephone company, a number of the mining companies. The purpose of the committee is to somehow introduce a note of rationality into the elaboration of a transportation network in the Canadian arctic and north. Rogers believes individual members of the committee, if a report came out, would be propelled to state an opinion on their transportation bias. He says there is not even a secretary taking notes and so every member of the committee can talk about transportation as a whole. A consensus comes out which each of them has taken notes personally on. Each member then applies the notes to a decision process in

each firm. As a result of this, a lot of mistakes have been avoided. He says the deliberations were translated immediately into action. Rogers says members at the conference who are members of the legislature are going to be faced with the same decision making process in the next month. Another question is the nature of the event for the legislative council to undertake the exercise of the seminar. At 13:15, Rogers makes a distinction between what he believes the difference is between events and developments. He mentions the dedication of the petrochemical plant on the Kenai Peninsula and the September oil lease sales are events not developments. The petroleum development is a process and it extends back years that many people don't realize. He says oil was not discovered on the Kenai Peninsula in 1957 or at Prudhoe Bay in 1968. Rogers says the Indians and Eskimos knew about the presence of oil long before that and also the first white men. Rogers mentions a footnote on the Brookings Institute brochure reviewing the economy in 1968 that indicates between 1901 and 1932 the Katalla Oil Field produced 150,000 barrels of crude oil. Rogers says he remembers before he moved to Alaska, one of his brothers-in-law was in the Aleutians looking for a wedding present to send to him and his wife. He sent them an Alaskan tablecloth that was printed in the 1930's and there was an oil gusher down on the gulf and another in the arctic. The little oil well at Katalla also had a refinery. The Kenai was therefore not the first refinery built in Alaska. Rogers says we are concerned with the impact on an event [the September oil lease sale] on another development process. That development process is Alaska development. Rogers discusses the economic and social development of Alaska at 16:20.

Rogers discusses stories told by his grandmother about the Highland Clearances in which her parents and grandparents were torn from their land and put into slums in Glasgow and Edinburgh. He says there was no legal backing on the part of the landowners. Rogers believes in order to have social development we must have clear statements of objectives. He says that it was exactly 10 years ago that month that he completed his book "The Future of Alaska." He says it was over a year before the book actually appeared but the writing was done 10 years to the current month. He says that at the time he was writing his book an event was taking place, the granting of statehood. Rogers says the granting of statehood was not a political or social development, it was an event. Rogers says the event was a part of a development process. At 21:20 he discusses what statehood means and he interprets it as a transfer of a degree of sovereignty and Alaskans could now do things themselves. He says the event [Achieving statehood] had an impact on the economic development of Alaska. Rogers says we should always ask if the convention wisdom is relevant to today. He likes to view the future as just not something that is happening tomorrow, but as something that has been also happening in the past. Rogers says the final part of his book is about Alaska learning to manage its own affairs and future. Rogers says we must examine the future as a continuing process and set forth what it is Alaska has to do in order to get rich.

At 26:10 Rogers says he will take the crowd through a few steps and like Paul and Dick, he hopes to be more specific tomorrow. In writing his book in the 1960's, there were three developments he says taking place. One was the shift from a military based economy to a natural resource economy. A second was the shift from a domestic orientated to an international orientated economy. A third was that Alaska was Native Alaska and non-Native Alaska. Rogers then gives some figures. The average annual gross income developed by certain major economic activities. The five years immediately after the

development of the first pulp mill in southeast Alaska, 1951-1955. The average annual expenditure of the department defense each year came to 412 million 900 thousand dollars. The total value for the natural resource products annually for that period was only 122.4 million dollars. Of this, fisheries accounted for 83 million dollars. There was no petroleum and natural gas. Other minerals, mostly sand and gravel, accounted for 23.9 million dollars. Forest products were valued 8.3 million dollars. Furs 4.7 million dollars and commercial agriculture products were 2.5 million dollars. The last five year period for which he has data is 1964-1968 the average annual defense expenses in Alaska came to 324.7 million dollars. The total value of natural resource products was 365.8 million dollars. Fisheries value had increased due to a revival of salmon and broadening of the base of fisheries [What the fisheries sold] according to Rogers. The fishery value was 165.3 million dollars annually per wholesale. Petroleum and natural gas was 80.9 million dollars. Other mineral value was 37.1 million dollars. Forest products were valued at 72.2 million dollars. Furs were valued at 5.8 million dollars. Commercial agriculture products were 4.5 million dollars. He says the last figure only tells part of the story. In the last five year period there is an annual dramatic increase in certain natural resource categories. He discusses some figures from 1968. Rogers says as Alaskans look into the immediate future, the trends will accelerate even further.

32:45 Rogers discusses a shift from an military economy to a natural resource economy. Rogers begins discussing an international orientated economy. For the period 1931 to 1940, Alaska's foreign trade consisted of \$335 thousand dollars imports and \$378 thousand of exports. Most of the exports and imports are merely the value of products passing through Alaska into Canada and Yukon Territory. After the war from 1948 to 1953, the value of foreign imports was \$1.417 million dollars and exports were \$2.83 million dollars. For the period of 1964-197 the value of imports had risen to \$9.129 million dollars and exports \$40.858 million dollars. Rogers says that we find virtually all of the foreign trade is represented by Japanese products imported and Canada. The U.S. Plywood Champion Mill signed a contract with Japanese firms to provide them annually \$40 million dollars' worth of pulp and lumber for a 15 year period. That contract with double the present value of foreign exports for Alaska. Rogers begins discussing the ammonia and urea plan at Kenai. Most of the output is going to Japan. Also discussed is the first two roundtrips of a special tanker carrying liquefied natural gas to Tokyo. He says the original tanker will be joined by a sister ship the next year. Rogers says all of the projects he is discussing are largely financed by Japanese capital.

At 36:20 Rogers discusses the Forbes Magazine and the copy printed in the Anchorage News. He says there was a portion about how much Japan has invested in Alaska. He says Dick [Netzer] mentioned a section of the last chapter of his book. He says many will recollect that immediately after statehood Alaska went through an economic recession. He discusses that as highways were built, they weren't being developed as tools of development, they were used in providing amenities for urban dwellers. He says a good deal of his time in Alaska has been during the time of Alaska being a territory. He discusses the territorial legislature and how easily the lobby groups of canned salmon and mining industries could sway the legislature.

40:45 Rogers says there are new economic interests now for Alaska. He discusses a hearing held on the tax incentive for the construction of a paper mill in the area. He says only one local citizen got up and

asked if the representatives really needed the incentive. He says the public interest must be guarded. The public interest isn't a priority of the oil companies or the Japanese investors.

At 44:20 Rogers discusses the Native Land Claims. Rogers says he would not have predicted an Alaska Federation of Natives 10 years ago. Rogers says the Alaska Federation of Natives uses a direct approach. Rogers says land has emotional connotations and subsequently refers to the story told earlier about his ancestors having to migrate. Rogers says there will not be a settlement of the Native problems or Native issues. There will be a disposal of land and money. He says this will be a means of reallocating some of the wealth. He says the fact that there has been recognition that this is Native land, will make a great deal in how Alaska Natives approach the problem. Rogers leaves the microphone and gets a round of applause.