

H78-68

Arlon R. Tussing

Interview on KTVF

Fairbanks, Alaska

1973

Larry Carpenter, Interviewer

Larry Carpenter interviews Arlon Tussing, an economics professor from the University of Alaska Fairbanks. Larry asked Arlon Tussing if the pipeline is approved what types of impact can be expected for Fairbanks? Arlon Tussing said Fairbanks has already experienced some of the impact. The increase in real estate values has already happened as well as residential and commercial construction that has been going on in the last year. The new impact will be a sociological one. Great numbers of transient workers who will be coming into town will be causing problems of public safety and large numbers of unemployed who will be arriving looking for pipeline jobs. Larry asked if it is appropriate for local government to prepare to meet the boomer and the transient. Arlon said yes he thought so. Larry asked if there is something that the local government should be planning right now. Arlon said that preparing for the future beyond the pipeline construction is the best way to prepare for the pipeline. He thought that Fairbanks should be paving the streets and sidewalks and improving utilities and providing a solution to the air pollution problem. It's a real problem. The way to take advantage of the pipeline is to start planning for five, ten or fifteen years from now. Larry asked about when an upturn in the economy will happen because of the pipeline construction. Arlon said it has already happened. The growth that has taken place isn't directly connected to the pipeline construction. Investors believe that the Fairbanks area has a future. As long as there is a long-term prospect of growth it will continue for a number of years. Larry asked if the economy is upturning now. Arlon said there is more employment and more business in Fairbanks than there was two years ago. A real boom means there will be more unemployment. The pipeline will attract more job seekers than there will be jobs. Larry asked if the pipeline will cause problems for the people in Fairbanks. Arlon said that depends in part on the strategy of Alyeska and what kind of workers that will be brought in. There have been two strategies proposed: maximizing local hire and bringing in men only and putting them in isolated camps. It is hard to predict what the outcome will be. Larry asked why Anchorage is benefitting more than Fairbanks. Arlon said Anchorage has it made already because it is the commercial and financial center of the state. It will get the bulk of the commercial activities, the consulting firms, the transportation and the financial services. The military payrolls and the oil industry employment have declined in Anchorage since 1969, but it is still in the midst of an economic boom. It is independent of the year to year ups and downs of oil exploration, pipeline construction, etc. Fairbanks is more sensitive to changes. The university has leveled off, the military is going down, but there are more jobs and more sales in local businesses in recent years. Larry asked about what kind of time schedule is on the pipeline bill in Washington, D.C. Arlon said

the bill will be passed but whether that means a pipeline permit this fall or not, there are still unknowns. He said there may be more legal delays. Larry said that Rogers Morton has been advised to reword the Gravel bill. Arlon said Senator Jackson was opposed to exempting the pipeline to NEPA. He said the state and the companies haven't settled their agreements. The pipeline is very vulnerable to anti-trust action. Larry asked if Alyeska may be slapped with lawsuits. Arlon said there have been private lawsuits in the lower forty-eight. He said there were so many unknowns. Larry asked if he thought it was fifty-fifty that the construction start up would happen in the spring. Arlon said that would be reasonable.