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Jim Drew and Carl Amstrup (Drew, James Van, 1930-2008)

Brian Rogers, interviewer

1983?

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Brian Rogers asked Carl Amstrup what bills on agriculture are seeing any action this year. Amstrup said there are two bills. One bill will provide for a grain reserve program which is a non-recourse loan program very similar to the federal program. The philosophy behind it is when history is achieved in Alaska by the farmers then they would be able to roll over from this program to the federal program. This is an interim program until people can qualify for the federal program. Right now, the federal grain reserve program is not applicable to farmers who do not have a history. The other bill before the legislature is a bill to change the agriculture revolving loan fund operational portion. Presently farmers can borrow up to 200,000 dollars for operating funds. This would change it to 350,000 dollars. There is an amendment for only in case of emergencies. He said he would be opposed to this if it would interfere with the management prerogatives of the loan board. This is for yearly operational funds. He talked about the rationale for the increase in funds.

Rogers asked Jim Drew to talk about the findings of the Governor's Task Force on Agricultural Development and what the task force sees for the long-range future of agriculture in the state. Drew said the governor asked the task force to develop a broad model of what Alaska's agriculture should be and to approach that model from the standpoint of 14 questions which the governor posed such as how many acres would be required to have an agricultural industry, total costs, infrastructure, etc. The task force attempted to develop a model which would develop self-sustaining agriculture industry within the state. It would integrate various areas in the state which have production capabilities such as the Tanana Valley which has the soil and climate capability to produce cereal grains such as barley. The Susitna Valleys have the capability to raise forage which is needed for silage for cattle operations. The lower Kenai Peninsula and Kodiak Island and other areas on the Aleutians have substantial area of native grasslands which can be used for grazing livestock. A fully integrated system which would permit the products of these various areas to be interchanged would give Alaska a basic agricultural industry. The problem in the past is the production system has not had significant volume to allow all the elements of agricultural infrastructure to operate in a self-sufficient manner at a profit. Until it is brought to that level the state will always be providing incentives and subsidies. The object of the task force model was to provide a system which would create a large enough volume of production so that the production system, the cost of inputs that would be necessary for production, and the cost of transportation to bring those inputs in and to carry outputs to market would be such that the total agricultural system could work as a self-sufficient industry. Rogers asked if the Task Force think we could get there from here. Drew said yes. A key to the Task Force report is the availability of state-owned land with agricultural potential. Alaska is a very large state, but the ground transportation system that we now have is relatively small. Within the Tanana and Susitna Valley there are sufficient acreages of land within reasonable close distance to existing rail and roads. It would not be to construct very long roads

compared to developing agriculture in the Kuskokwim Valley or the upper Yukon Valley. There are 500,000 acres of soils identified in the Tanana Valley and Susitna Valley that are reasonably close to existing rail and roads.

Rogers asked Amstrup about costs for developing a project such as those developing in Delta and Nenana. Amstrup said he would try to divide them up into different sections. There would be the sale price of the land, costs for clearing lands, and cost for building roads and bridges. He talked about the costs involved with the 175,000-acre Nenana project for roads, bridges and power system. Rogers asked about the Delta project and money the state would get from the sale of land. Amstrup said the Delta Two project had sale of land at 182 dollars per acre and 15,000 acres were sold.

Rogers asked Drew about the legislative response to the Task Force recommendation. Drew said they can't really tell what legislative reaction has been because he hasn't heard any statements made by legislative members. The major cost items would be funds provided for land clearing, farm development and appropriations for roads and bridges. The important thing is to provide a system to keep the land costs low for the farmer. He talked the nature of potential farmland in Alaska compared to farmland in other states. The key things the legislature has to consider to make the agriculture industry in Alaska to work are appropriations for access and land clearing and operating loans.

Rogers asked about the need for trained farmers. Drew said there has been an increase in vocational agricultural education in the high schools in Alaska particularly in areas within farm communities. The most immediate need is education at the extension level for beginning farmers. There are not a lot of experienced farmers in Alaskan agriculture. New technologies are needed and need to be extended to the farmers through cooperative extension education. Rogers asked if the state is willing at the legislative level to expand cooperative extension. Drew said cooperative extension programs must be expanded in Alaska. There is a great deal of commercial activity providing information for farmers elsewhere, but in Alaska they are not yet here. Rogers asked if there will be enough mass of agriculture activity to develop the private industries. Drew said they are already seeing activity in Delta. If farms don't develop rapidly the private industry will shut down. If there is sufficient volume of agriculture production the various segments of the agriculture industry such as seed dealers and truckers will be able to operate at a profit.

Rogers asked Amstrup about the rough funding. Amstrup said the schedule they see by the year 1990 would have approximately 500,000 acres sold to private holders. He talked about the acres sold in Delta. The sales for the Nenana area will not be until next year. There are 175,000 acres in that area slated for sale over a three year period. In Pt. McKenzie area there are 15,000 acres planned for sale and another area nearby will provide a dairy and vegetable growing area. In the longer plan they are looking at the Yukon Flats area.

Rogers asked Drew how much of our food will be produced in Alaska in the next ten years. Drew said part of the reason they talk about cereal production such as barley is it is a crop adapted to a cool climate. It is also well adapted to newly cleared land. During the first few years barley is one of the easiest crops to grow. Once that land is worked into a condition to be suitable for production then a lot of other crops can be grown. He said there is no question that once the land is brought into production then there will be potential to grow other crops besides the cereal grains. Rogers asked if the food produced locally taste better than what we are getting now. Drew thinks it will. Anything that is produced locally will not have a long transportation time and is fresher.