THE FUR INDUSTRY IN ALASKA

Furs are one of the great natural resources of Alaska, but their full contribution to the economy of the state has yet to be realized.

At present the value of furs harvested is about $4.5 million per year. The annual value of the fur industry is almost equal to that of agriculture and coal, which have outputs valued at the $5 million mark, and is double that of the gold industry the output of which is now about $2 million per year. Thus the fur industry is one of the important industries in Alaska's economy.

Although not comparable with the fisheries, timber products, and petroleum industries, which measure their output in the tens of millions of dollars, furs are of considerable importance with a potential well above the present harvest.

The Fur Seal

The most important of Alaska's fur bearing animals is the fur seal, Callorhinus ursinus. These creatures are almost a unique possession of Alaska since they breed in only three or four places on earth, and nowhere in such numbers as on the Pribilof Islands in the Bering Sea. Their furs have proven so valuable that if the whole of the purchase price paid to the Russians for Alaska had been paid for the Pribilofs alone, the United States would still have had a bargain.

By 1897, only thirty years after the purchase, the total income from fur seals had already exceeded the purchase price of $7.2 million. In years following, that sum has been received several times over. The costs of maintaining and administering the Pribilof Islands, whose economy is entirely dependent on the fur seal industry, have to be set against the receipts from the sale of seal skins, but even taking this into account the profit to the United States Treasury since the industry was taken over in 1911 has exceeded $20 million.

When the Russians discovered the Pribilofs in 1786 the fur seals were so numerous that it was reported their barking could be heard at sea like thunder above the sound of the surf. The ensuing slaughter was enormous, so reducing the number of fur seals that this unique resource was in danger of annihilation. In 1835 the need for conservation was recognized by the suspension of all killing for some years. After that time the ruling was changed to allow the selective killing of only the "bachelors" — the younger bulls — leaving the cows and older bulls unmolested. These measures were effective and at the time of the sale of Alaska to the United States the herd was some three million strong.

During the first 40 years of American ownership, fur sealing was leased to commercial interests and no conservation was practiced. The herd decreased to 100,000 seals, with a corresponding reduction in the annual fur harvest. Congress then decided that the Federal Government should manage this resource and in 1911 jurisdiction over the fur seal herd was given to the U.S. Fish and Wildlife Service. The system has been to select the younger bulls for their skins and leave the breeding stock intact.

To prevent the killing of seals at sea, which was particularly devastating because it was unselective, a treaty was entered into in 1911 by Japan, Canada, Russia and the United States forbidding this practice. Instead, it was agreed to divide the take of seals from the Pribilof Islands among the four nations. This treaty was renewed from time to time and present arrangements are governed by the North Pacific Fur Seal Convention of 1957. Under this agreement Canada and Japan each receive 15 per cent of the harvest from the Pribilofs plus 15 per cent of the take from smaller herds frequenting Soviet islands and harvested by the USSR.
Raw skins are processed under contract to the U.S. Government by the Fouke Fur Co., in South Carolina, then sold at public auction. The proceeds formerly went to the U.S. Treasury but under the Alaska Statehood Act 70 per cent of the net proceeds, after deduction of operating costs, is given to the State of Alaska. Table I shows details of the harvest of pelts and the receipts from sales since 1955. It will be noticed that since 1956 there has been a substantial harvest of females. This is because the total herd has grown to such a satisfactory size that some females could be culled to maintain a balance of numbers without endangering the sustained yield. The female skins, which are distinctly different from the male skins, are marketed as Lakodas.

The Fouke Fur Co., which has had the processing contract up to the present time, has developed a series of secret methods for bringing the furs to a high state of perfection. When the contract was last renewed it provided for the government to retain up to one-eighth of each year's harvest for experimental processing by other firms. These firms are expected to enter competitive bids when a new contract is negotiated. The present contract will end in April 1970.

### The Sea Otter

The foggy shores of the Aleutian Islands are the home of another valuable fur bearing mammal, the sea otter, *Enhydra lutris lutris*. The sea otter faced extinction at the beginning of this century and even today cannot be included in the fur economy of Alaska because a ban by the U.S. Fish and Wildlife Service forbids harvesting the otters.

The sea otter, which has one of the most beautiful furs in existence, was among the main causes of Russian interest in the Aleutian waters. There and along the southern coast of Alaska they found the animals in great numbers. Excessive and non-selective killing of the sea otter was carried on before and after the purchase of Alaska, and the otter came near to extinction. It was not until 1911 that hunting of the sea otter was entirely prohibited. This law was so strictly enforced that when the Governor of Alaska made his annual report to the Secretary of the Interior in 1917 he added a footnote explaining that the one sea otter listed in the fur harvest was an animal that had been found dead. The pelt was valued at $500.

For many years the fate of the sea otter hung in the balance. But, left undisturbed in its lonely haunts around

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
<th>Gross Receipts from Sales</th>
<th>Net Receipts from Sales</th>
<th>State of Alaska Receipts</th>
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</thead>
<tbody>
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<td>1955</td>
<td>65,453</td>
<td>—</td>
<td>65,453</td>
<td>$4,423,748</td>
<td>$2,920,258</td>
<td>—</td>
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<tr>
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<tr>
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<td>1960</td>
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<td>85,254</td>
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<td>1964</td>
<td>48,223</td>
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<td>52,866</td>
<td>—</td>
<td>52,866</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

1. Totals represent yearly harvest — not skins processed by contractor.
2. Gross receipts less contractors' processing cost and 1 percent discount on cash sales equal net receipts.

Sources: Report of Hearing before the Subcommittee of the United States Senate to review the administration of fur seal skin operations in the Pribilof Islands; and United States Department of the Interior, Fish and Wildlife Service.
the Aleutians, its numbers slowly began to increase. In recent years the otters seem to be extending their range eastwards to areas in which they have not been seen during this century. The State Department of Fish and Game reported in 1959 that sea otters were probably as abundant in the Rat Islands as they were before their exploitation by the Russians. The total sea otter population in 1959 was thought to be above 30,000 animals.

In 1963 and 1964 the Department of Fish and Game killed about 450 sea otters for research and there is a fair possibility of a regular harvest being permitted in the near future. The pelts of the otters taken for research have not yet been brought to auction but high prices are expected when they are. According to a Department of Fish and Game report: "In 1963 and 1964 the sea otter took a long step toward reascending the throne as king of furs."

The Hair Seal

A more plentiful marine fur-bearing mammal is the common seal or "hair" seal. There are four kinds in Alaskan waters, the most numerous being the harbor seal, **Phoca vitulina**. This seal is found all along the coast but is most common in the south.

The hair seal is presently hunted for two different reasons: for bounty because it is a predator of salmon and as such has caused much loss to the fishery industry; and for its pelt because in the last three years Alaskan hair seal pelts have been bringing good prices on the European fur market.

At one time the State Department of Fish and Game hired marksmen to shoot the seals, and a bounty encouraged others to kill the animal. In 1927 the bounty was $2 per skull. For a short time there was a $6 bounty, and the rate at present is $8. Bounty has been paid on about half a million hair seals at a cost to the taxpayer of over $1 million. It is known that many seals have been killed by hunters who did not claim the bounty.

In many cases no attempt was made to recover the pelt from those hair seals that were killed as predators, since nobody would pay much for a skin that was generally regarded as of little use. So widely was this view held until very recently, that a well-known dictionary published in New York in 1963 defines hair seal as "Any of various seals (family Phocidae) not valued for their fur."

The reputation of the hair seal as a predator whose pelt was only of secondary value, began to change three years ago with the entry of the Alaskan hair seal pelts into the European fur market, where improved methods of processing have created a demand for high grade pelts for the garment industry. The European prices for the pelts rose and eventually were higher than United States market prices — even after payment of freight rates.

The first year in which a large number of Alaskan hair seal pelts was sent to Europe was 1963. The number of pelts harvested in Alaska that year was 24,000, an increase of 9,000 over the previous average. In 1964 the number of pelts harvested was 38,000, and in 1965 more than 60,000. Each year from 5,000 to 20,000 hair seal pelts are sold locally in Alaska or used by the Native people. The rest (about 40,000 in 1965) are now exported to Europe by air freight over the North Pole. Thus in a period of only three years the European market for the bristly, silvery sheened fur of the hair seal has become an important part of the Alaskan fur trade, and may prove to be a steady outlet. In 1963-64 hunters were paid about $18 for an average pelt. The present average is probably about $16. The harvest also includes a number of hair seal pups which bring $8 to $15 according to size and quality, and sea lion pups which bring $8 apiece.

It seems inconsistent that a bounty should be paid for the destruction of the hair seal as if it were a pest, while at the same time it is a valuable resource. The hunting of seals for the value of their pelts may solve the fisheries' problem or it may be that the bounty will be applied to more restricted areas. The State Department of Fish and Game is studying the effect on the total population of the herds of the increased killing of seals for export.

Fur Bears of the Mainland

The large area of the Alaskan mainland, with its many variations of climate and terrain, supports an equally varied wildlife. Some of these species – notably the moose and the caribou – are hunted mainly for their meat or for their antlers as trophies. The mountain goat, Dall sheep, and bear are trophy animals, although a bearskin rug has practical value. However bears, other than polar bears, do not come within the scope of this study since their furs are generally kept by the hunters rather than becoming articles of commerce. The pelts of polar bears killed by Eskimo hunters do come on the market as valuable furs.

The most prolific fur-producers among the land animals are the smaller species, especially mink, beaver, muskrat, fox and marten.

The fauna of Alaska also includes hares, squirrels, ground squirrels, marmots; a number of species of small rodents (lemmings, rats, mice and voles); and several different species of the tiny carnivorous shrew. The small rodents play an important role in the story of fur in Alaska because they are the prey of several of the larger fur bearers. Many of these small animals, especially the mice and lemmings, as well as the larger snowshoe hares, fluctuate in numbers from year to year and this has an effect on the numbers of animals which prey on them.

Table II sets out the latest available figures of the
principal fur bearers taken on the mainland of Alaska, together with an indication of their value. The figures are estimates except in the case of beaver. The beaver harvest has been carefully documented for a number of years, one of the objects being to insure a sustained yield in each area. Beaver pelties must be sealed by an authorized representative of the Alaska Department of Fish and Game before they can be transported or exported from the State of Alaska.

It is clear that mink and beaver head the scale in economic importance. This is not only for the year quoted, since both animals have been taken in large numbers for many years and their pelts have had a high value. The contribution of mink to the Alaskan economy has been great: the number harvested during the thirty years between 1925 and 1954 rarely fell below 30,000 annually. The total financial yield from beaver probably runs a close second to mink since the annual harvest (apart from the season ending in 1965 which was abnormally low) has generally been between 15,000 and 20,000 for the past 15 years. The peak figure for an annual beaver harvest during those years was over 26,000.

An enormous number of muskrat have been killed over the years. Until 1955 the annual harvest exceeded 100,000. Thirty to forty years ago the take may sometimes have reached the half-million mark. Although the muskrat is still taken in larger quantities than other land animals, the value of its pelt is too low for a substantial impact. (See Table II.)

The 1964-65 season was a good year for marten for which the take has only occasionally reached five figures. The pelt of the otter generally brings a high price but this animal is not available in large numbers. However, the otter has yielded a harvest of between one and three thousand with remarkable consistency. The take of lynx has been more erratic with the 1964-65 figure distinctly on the high side.

The whim of fashion has caused a tremendous fluctuation in the harvest of fox fur. When fox furs were much in demand for ladies' wear, the total take in Alaska of all kinds of fox, from the wild state and from fur farms, was above 20,000 annually for many years. Then fox fur went out of fashion, the price dropped, many fur farms went out of business, and the interest of trappers declined. The take decreased to about 1,000 in the middle 1950's and to no more than six or seven hundred in recent years. Lately there have been signs that the world of fashion once more favors "long-haired" furs and there has been some rise in prices with a corresponding increase to about 8,000 annually in the harvest. The market for white and other fox fur is still considered unpredictable but there are plenty of them in Alaska when required. The Department of Fish and Game reports that "the presence of man causes the fox no problems."

It should be noted that the assessment of the Alaskan fur harvest in commercial terms omits an important feature of Alaskan life, namely the trapping and shooting of various wild creatures by the Eskimos, Indians and Aleuts for their own subsistence. A number of the furs worn by these people are a by-product of the killing of the animal for food. All of the species put on the market are at some time or another used by the Native people, who have special uses for particular furs. For example, the fur of the wolverine is especially favored for making the ruff around the hood of a parka, because it does not become so congealed with frost as do other furs. As an industry in the modern sense, however, the fur trade can be measured by the commercial transactions carried on by all the races in Alaska.

Valuation of Alaska's Fur Harvest

The value of fur seal skins is known from the detailed reports issued annually concerning this federally-operated enterprise. The nearest approximation as to what prices the pelts might have brought at the raw stage is provided by the figure of net receipts. In 1965 this figure was $2,530,301.

The hair seal harvest in 1965 is valued at $1 million. This figure is based on the average price of $16 per pelt paid for the 60,000 marketed plus the harvest of 5,000 sea lion pups at $8 each.

### TABLE II

<table>
<thead>
<tr>
<th>Species</th>
<th>Estimated Harvest</th>
<th>Average Value All Sizes and Areas ($)</th>
<th>Value of Estimated Harvest ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beaver</td>
<td>8,556 *</td>
<td>19.35</td>
<td>165,600</td>
</tr>
<tr>
<td>Mink</td>
<td>18,400</td>
<td>23.70</td>
<td>435,600</td>
</tr>
<tr>
<td>Muskrat</td>
<td>38,800</td>
<td>1.05</td>
<td>40,740</td>
</tr>
<tr>
<td>Marten</td>
<td>10,400</td>
<td>12.25</td>
<td>127,650</td>
</tr>
<tr>
<td>Otter</td>
<td>3,270</td>
<td>26.00</td>
<td>85,620</td>
</tr>
<tr>
<td>White Fox</td>
<td>2,320</td>
<td>18.00</td>
<td>41,740</td>
</tr>
<tr>
<td>Other Fox</td>
<td>1,200</td>
<td>11.00</td>
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<tr>
<td>Weasel</td>
<td>1,110</td>
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<tr>
<td>Lynx</td>
<td>4,650</td>
<td>22.00</td>
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<tr>
<td>Squirrel</td>
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</tr>
<tr>
<td><strong>TOTAL VALUE</strong></td>
<td></td>
<td></td>
<td><strong>$1,013,270</strong></td>
</tr>
</tbody>
</table>

* Actual number sealed.

Note: Values do not agree in detail, due to rounding.

Source: Alaska State Department of Fish and Game.

Valuation of Alaska's Fur Harvest

The value of fur seal skins is known from the detailed reports issued annually concerning this federally-operated enterprise. The nearest approximation as to what prices the pelts might have brought at the raw stage is provided by the figure of net receipts. In 1965 this figure was $2,530,301.

The hair seal harvest in 1965 is valued at $1 million. This figure is based on the average price of $16 per pelt paid for the 60,000 marketed plus the harvest of 5,000 sea lion pups at $8 each.
Precise figures of the value of the fur harvest from "land" mammals are not available. The value can be estimated by taking an average price fetched by the raw peltries of each species at auction and relating this to the number of skins harvested. By this method the State Department of Fish and Game arrived at the values in Table II. The total figure of $1,013,270 is an underestimate because the table contains only the principal species. Of those omitted, the bountied animals (wolf, coyote and wolverine) are caught in fair numbers although much of their fur is used locally by the Natives for parka ruffs and trim.

The value of raw furs produced in Alaska during the 1964-65 season was approximately as follows:

- Fur Seals .................. $2,530,301
- Hair Seals, etc. ............ 1,000,000
- Land Mammals .............. 1,013,270

TOTAL ..................... $4,543,571

An attempt to compare this figure with the value of fur production in the past, meets with the difficulty that exact records in respect of land mammals do not exist, and rather uncertain estimates have sometimes been made. A sound figure was, however, compiled just thirty years ago by the Alaska Game Commission. The total value for furs from the same species as those included in Table II was then given as $1,879,034. This included the large figure $747,176 for various types of fox fur, for which the demand, although it was then past its peak, was still high. If fox furs are excluded from both sets of figures, because of the great changes which have occurred in the fox fur trade, the total value in 1936 was $173,518 more than the total in 1964-65.

The Game Commission figures also showed that the total value of furs produced from the same species, again excluding fox, over the period 1927 to 1936, averaged $1,172,384 per year. The average prices of most types of pelt were then lower than they are today, and the higher income from the furs was the result of a much larger harvest of most species. Only in the case of marten does the catch in 1964-65 greatly exceed the average number taken in 1927-36. The number of mink then was about twice the present harvest, and the number of muskrat was more than four times the number taken in 1964-65. Although prices then were nominally lower, they generally represented a higher real income than prices do today. There was, therefore, a strong incentive to active trapping—hence the larger harvests.

Trappers And Fur Dealers

The 1964-65 million-dollar-plus fur harvest from Alaska's land based animals was not exclusively taken by professional trappers. In fact, numerically, professional trappers are in the minority.

The number of trapping licenses issued (Table III) exceeds the number of persons actually trapping each year, since many who take out licenses do so only in case they may wish to do some trapping. The holders of subsistence licenses harvest furs as a consequence of having killed the animals for food. The extent to which they kill animals for fur depends on price, weather and other factors.

The figures for resident licenses which include trapping do not distinguish between the commercial trappers whose income is wholly, mainly, or in large part derived from trapping, and the part-time or leisure-time trappers. Many of the latter take out a trapping license every year, often in conjunction with hunting and fishing licenses, but actually only rarely trap. Others take out a license only when they hear high prices are being paid for animal pelts available in their part of the State. The number of licenses therefore varies widely from year to year according to the market for different types of fur. Although the output of many of these "trappers" is small, they are so numerous that their collective production is considerable.

It is plain that the intensity of trapping in Alaska is sensitive to the price obtained for the furs. Large numbers of part-time trappers may abandon their lines during a period when prices are low or merely content themselves with catching a few animals easiest to get or those found near their homes. The Native trappers will concentrate on hunting for food and consider the furs as an incidental additional income rather than work the full length of their lines. The full-time or almost full-time...
professional trapper will concentrate on those animals whose pelts bring the best price and not attempt to catch the others. Of course, he is not always able to obtain up-to-date price information and even when he is his rewards may be uneven. When the world price for a particular fur is high, that type of animal may be scarce in his neighborhood.

The remuneration for the hard, lonely, and sometimes dangerous life of the professional trapper depends mainly upon the quantity of furs he catches, although he can increase his income by close attention to quality. He can make the best of a good pelt by careful skinning of the animal and by exercising skill in those early stages of processing (drying, stretching, storing) which he does himself. Estimates of the trapper's return vary from 60 to more than 75 per cent of the price realized by the pelt at auction in Seattle or elsewhere. Trappers who send furs directly to one of the auctions or exchanges pay a five per cent commission on sales, as well as the postage or freight charges. Some furs, sold to specialty markets such as the tourist trade, probably bring in a substantial amount to the variable number of trappers and the variation in the rewards.

Figuring 75 per cent as the trapper's portion means that over $750,000 was earned by trappers for furs from Alaska during 1964-65. It is impossible to calculate an average or normal earning figure because of the variable number of trappers and the variation in the numbers of pelts they take. In areas where the best furs are obtainable in good numbers a few trappers probably earn over $2,000 a season. In other areas the season's take may amount to only a few hundred dollars.

Any person acting as a fur dealer in the State is required to take out a State Fur Dealer's License. (See Table V.) Although the non-resident dealers are few in number they are of major importance to the economy of the fur industry. They are the representatives of fur dealing houses in Seattle and other cities, and during their visits to Alaska they buy large quantities of furs from the trappers and local dealers. The figures for resident fur dealers include the many village stores and trading posts which handle furs as part of their business and must consequently take out the necessary license. Some of these stores and trading posts may buy only a few skins from local trappers annually but their aggregate turnover is considerable.

**Fur Farming**

Since nature has provided Alaska with vast tracts of land, mountain and marsh which are ideal habitat for a rich assortment of fur-bearing animals, it may seem unnecessary to consider using this land for fur farms. But the idea of fur farms is not as incongruous as it first seems. Control of breeding and scientific feeding of many animals so enhances the value of their pelts that the investment is amply repaid.

Alaska has the particular advantage of a number of small islands in the Aleutian chain and in Southeast Alaska which presented the opportunity of introducing new species and allowing them to range freely. This insular form of fur farming is believed to have been started when the Russians introduced blue fox into the Aleutians. Early in this century a number of small islands around Kodiak and in the Semidi Islands were used for fox farming. The greatest number of farms were started in Southeast Alaska between 1920 and 1925. At the same time there was fox farming on the Aleutian Islands, and also in the Interior.

With the decline of fox fur prices the number of fox farms also declined. In 1939 there were 273 fur farming licenses in issue; by 1944 the total was down to less than 90 (57 in Southeast Alaska and about 30 in the Aleutians); in 1947 there were only 62 fur farms, some of them raising mink. The next year there were only 30 fur farms, including mink, in the Territory. In 1966 there were only four fur farms, mainly keeping mink.

Considering that the climate is suitable (mink being indigenous to Alaska) and that large quantities of fish waste and seal meat are available for feeding material, the present extent of mink farming in the State is disappointing.

A revival of interest in mink farming is expected as a result of a recent report made by representatives of the
Fur Breeders Agricultural Cooperative of Midvale, Utah. The group was asked by the State Division of Agriculture to study the potential of a mink industry in Alaska. They concluded that Alaska has an abundance of material suitable for mink feed which is not being utilized. The salmon and halibut industries produce millions of pounds of waste which could be used but that would have to be mixed with bottom fish and some red meat — seal, sea lion, whale or reindeer. Thus the establishment of a mink industry on a fairly large scale would need the support of drag fishing boats to supply the bottom fish.

According to the report a minimum of 1,000 females and 200 males would be necessary to establish a profitable mink ranch. This would require about 400,000 pounds of feed for the adults and resultant kits for one year. Freezer space for at least 250,000 pounds of feed would be needed to accommodate a six months' supply of feed for an operation this size. The areas considered most suitable are the Kenai Peninsula, the Gustavus Peninsula and the area around Palmer. The investigators were told there was a possibility that land belonging to the University of Alaska might be leased for mink ranching.

The experimental fur farm at Petersburg, established by the Alaska Game Commission in 1938 and now administered by the University of Alaska, provides a background of scientific advice on feeding, breeding and disease prevention and control.

**History of the Fur Trade in Alaska**

Alaska's fur resources were the principal attraction for the Russians some 200 years ago. Since they were chiefly interested in the sea otter and the fur seal, the Russians settled on the islands and along the coast of southern Alaska. So far as furs of land animals were concerned they were content to buy from the Indians and Eskimos, and their station at Nulato on the Yukon River was a base for this trade.

After the purchase the Interior of Alaska was almost as neglected by the new owners as it had been by the Russians. The Native people continued their traditional life based on hunting and fishing for subsistence, and using furs to make garments for themselves. The sale of furs to outsiders was only a by-product, if they had a surplus. Gradually the technology of the white man brought about a change in this attitude. The steel trap and wire snare made it easier to catch animals and the Canadians and Americans were eager to buy the fur. Soon the Natives changed to an economy in which furs were a cash crop, but this was still only marginal in importance and did not affect the whole country.

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<tr>
<th>Fiscal Years</th>
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<th>Nonresident</th>
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</tr>
<tr>
<td>1964</td>
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<td>1965*</td>
<td>111</td>
<td>7</td>
</tr>
<tr>
<td>1966</td>
<td>126</td>
<td>6</td>
</tr>
</tbody>
</table>

* Calendar Year

Source: Alaska State Department of Fish and Game.

In 1857 the Hudson's Bay Company established a trading post called Fort Yukon, at the junction of the Porcupine and Yukon Rivers. After the United States purchased Alaska the Company withdrew but Fort Yukon remained a fur trading post.

At first the United States' principal economic interest in Alaska was, like the Russians, the furs obtainable from the sea. This changed at the turn of the century when the discovery of gold brought a large number of men into the country. The wild game of Alaska then became an important source of food and the miners were glad to supplement their income by selling furs. This combination of the frontier life with an eye to the market has become a tradition and today there are many Alaskans who supplement their larder and their income by occasional trapping.

**The Position at Present**

Alaska has a rich assortment of fur-bearing animals both on land and in the sea. Considering the uniqueness of this resource the fur industry is not making as large a contribution as might be expected. Furs can contribute to Alaska's economy either by their sale in the raw state or after some or all of the finishing processes have been carried out.

The total income obtained from the raw skins has declined, mainly because the total harvest of land-based fur bearers has declined. As there is no reason to suspect that any of the animals have been trapped in such numbers as to exceed their sustained yield, the smaller harvest represents a smaller trapping effort. There is little doubt that the reason for this is that the prices obtainable for the pelts are not sufficient incentive in competition with other sources of income at the present time.

Alaska performs very little of the processing of the furs she produces. Almost all the earnings from fur processing, plus the employment engendered by that processing, go to other states.

Many Alaskan furs return to the State after processing in other parts of the U.S. These furs are in great demand.
by residents for winter wear and by tourists anxious to buy Alaskan furs in Alaska. It is, however, doubtful whether non-residents realize that to convert the raw fur into the final product the pelt has been bought by a dealer in another part of the U.S., sold at auction, passed through processing workshops and then passed back through normal commercial channels to the shop in Alaska. For every fur that comes back into the state this way there are many more which go to the fur trade elsewhere.

An even more important part of Alaska's fur trade is the fur seal herd of the Pribilof Islands. Although Alaska now receives 70 per cent of the proceeds after all costs have been met, the entire processing operation—which employs more than 100 persons—and the marketing of the furs, still takes place in South Carolina. This year two barrels of raw fur seal skins were allocated to an Anchorage firm for experimental processing. The firm may now be able to bid when the contract comes up for renewal. If the processing were done in Alaska there would be more advocates for the proposal that the State take over the whole Pribilof operation from the Federal Government.

Hair seal skins now being exported to Europe are also put through only the early stages of dressing, and the major part of the value added by processing goes to the European economy.

Prospects for Alaska's Fur Industry

Recent developments, already mentioned, hold out some promise that the fur industry might assume a more active role in Alaska's economy.

First, the fur seal industry, after years of status quo, is now the subject of technical experiment to be followed by commercial competition.

Second, the pelts of the sea otter may be expected to appear on international fur markets in the near future.

Third, the hair seal has had a recent rise in popularity and there are reasonable prospects for a steady market.

Fourth, the fur farming industry is now the center of renewed interest. The establishment of mink ranching on a large scale with an associated bottom fishing enterprise would be an important development for Alaska.

Taking a wide view of the future of the fur industry in Alaska, there are grounds for both optimism and pessimism. On the credit side, Alaska is fortunate in possessing a wide range of fur-producing animals both on land and in the sea. The harvest of creatures from the wild cannot, of course, be increased indefinitely. It is an extractive industry which shares the characteristics of agriculture and forestry in being a form of cooperation with nature, and an upper limit is set by the possible sustained yield. But the harvest is believed to be well within this limit for all species at present.

Research is now underway by the Alaska State Department of Fish and Game, the Federal Fish and Wildlife Service, and scientists from the University of Alaska aimed at a better understanding of the life and habits of wild fur-bearing animals and of ways in which their yield may be sustained and the quality of the pelts maintained or improved. Although progress in this kind of work is necessarily more steady than dramatic, it is an important contribution to the economy of Alaska.

Clearly the resource is sound: how well is it likely to be used? The position regarding the land-based fur bearers provides some ground for pessimism, because for a number of years the trapping effort has not been sufficient to produce the income which the resources could certainly provide. An all-round increase in the harvest is not the answer: furs are a luxury item, and it is fruitless to produce large numbers of furs which are not in fashion. The collapse of fox farming in Alaska demonstrated this.

Until fairly recent years a good price for a particular species often led quickly to a greater output, because Alaska contained a large number of men who were only partially occupied with trapping and who formed a reserve of skill and experience. But as other ways of earning a living have become available, especially those providing a fairly large income during the summer, there has been less need for men to make a really big effort to trap for furs in the winter.

To obtain a substantial increase in the fur harvest under present conditions, a sustained run of satisfactory prices is needed. An elaborate marketing scheme would not be practicable, but a bigger and steadier demand might be achieved if the special qualities of the best Alaskan furs, already known to the professional buyers, were made known to a wider public. The prestige value of particular types, such as the Yukon-Kuskokwim Delta mink, which are among the best in the world, could be emphasized. Some such stimulus at the point of sale may enable Alaska's oldest industry to prosper in the modern world.