

ALASKA'S DEVELOPMENT,
THE ROLE OF THE NATIVE PEOPLE IN THE FUTURE

Key Note Address by Dr. George W. Rogers

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Development is an overworked word in the Alaskan vocabulary, and as is the case with such workhorses, needs to have its meaning reassessed from time to time. In the public or political aspects of our lives, it is something we all say we are for regardless of party affiliation. Our present Governor and his administration have made development their primary and overriding objective and each governor and administration proceeding this has done the same. Our elected representatives in the Legislature and Congress give top priority to development legislation and the Federal government in Alaska fairly bristles with development agencies and programs.

The meaning of development might first be sought by asking what do we think it is and then seeking the answer in our public statements and programs. From this source, development would appear to mean economic expansion--the fostering of continually increasing production of material things and services, gross income, total employment. When we are engaged in what we call development activities, we are doing things like working for programs to discover and publicize our natural resources, seeking means of attracting outside investment (government or private), and setting up commissions to study means of expanding transportation. When we say something is development we mean specifically and at the present moment the petroleum explorations on the North Slope, petroleum production in Cook Inlet, the prospect of another pulp mill in Southeast Alaska, or on a more modest scale, something like the establishment of scallop harvesting and processing at Seward.

Further meaning can be found by asking ourselves why we so avidly desire development. Our concerns, desires and feelings about it are all somehow tied in with our belief that it will improve the general human condition, whether we are thinking of this in terms of ourselves, our families or society as a whole. Our belief as expressed in our words and our actions is that poverty will be reduced or even eliminated by increased

income in our state, region or community, that the cure for unemployment is more jobs. Beyond this we believe that the beneficial effects go on to higher and more basic things. New income and new jobs mean a higher material standard of living which in turn leads to the creation of a more satisfactory and satisfying social environment for the realization of the maximum potential of the human personality.

Now let's shift our inquiry from this rather superficial level of examining public statements and actions to take a look at a recent development experience all of us in this room have shared. The establishment of pulp mills at Ketchikan in 1954 and at Sitka in 1959 was a major development in our region. If we analyze its nature and measure its performance, it did result in substantial economic expansion. For example, during the five years immediately before the start of operation of the Ketchikan mill (1949-1953), the total value of all natural resources products in Southeast Alaska averaged \$46.5 million per year. In the period 1959-1961 immediately following the operation of the Sitka mill, the average annual value of all natural resources products had risen to \$77.2 million. This level has continued to rise. Looking at other statistics measuring performance, total personal income received by residents of Southeast Alaska from jobs directly involved in natural resources products industries rose from \$8.2 million in 1950 to \$21.7 million in 1960 and from all sources (including other industries, services, government, etc.) from \$48.5 million in 1950 to \$97.9 million. Per capita income (these total income figures divided by every man, woman and child residing in Southeast Alaska) rose from \$1,720 in 1950 to \$2,765 in 1960. Other measures could be cited, but they all reflect the obvious conclusion that the establishment of two pulp mills in Southeast Alaska was a major development in terms of economic expansion.

These statistics deal only with the results of development in terms of the total economy and general employment. What were they in terms of the people involved and more specifically the Native people? The popular and official view on the expected impact upon the Native people of the expansion of forest products industries was stated by the Governor of Alaska before a congressional committee in 1947. "I know of no one thing that will be more beneficial to the economy of the Indian population than

the development of this pulp and paper industry. . . . It means a new day in the Indian economy. It means that instead of being obliged to subsist for 12 months on the rather uncertain earnings of three or four months' fishing, they will have something that will keep them employed all year around, and I can think of nothing that will equal that in benefit." This conclusion at the time seemed all too obvious for further comment. Thousands of new jobs would be created just at a time when fisheries income and employment were falling at an alarming rate. All non-Indians appeared to have no doubt that the readjustment would be automatic, immediate and complete. But let us measure what actually happened.

For my present purposes it is fortunate that the U. S. Census enumerations for 1950 and 1960 took place a few years before and after this development. These reports, therefore, provide a means of measuring and analyzing the human aspects of this experience. I will only cite two of these. Despite the creation of a whole range of new employment opportunities, we find that the participation rate (or the percentage of persons gainfully employed) of the normal working-age Native population actually declined between 1950 and 1960 (from 38% to 37%) while that of the non-Native population enjoyed a significant increase (from 59% to 64%). This decade also experienced a 25% increase in total population. Breaking this data into areas and race classifications, there appeared to have actually been a movement of Native people away from the two centers of development at Ketchikan and Sitka. (There was a very modest total increase in Native population in these areas, but that was due to natural increase being slightly higher than the out-migration of people from the areas).

Just these two sets of statistical comparisons are sufficient for us to draw the conclusion that the new jobs and the new income created by this development were taken up by more intensive utilization of the non-Native labor force and a significant immigration of additional workers from outside Southeast Alaska. The new developments had virtually no impact upon the employment situation of the Native people. In two years' time when the 1970 census reports are available, we will be able to determine if the second decade of the pulp industry has resulted in some improvement, but from what we are able to measure of the initial phase, there was none.

In trying to find answers to this paradox of more jobs but less employment in the Native labor force, and total Native population behavior

suggesting that they almost seemed to be running away from the places where the opportunities had been created, we should take another look at the few statistics being used here. These crude measurements of the impact of the two pulp mills reveal some further aspects of the nature and meaning of development overlooked in my opening remarks. We discover on taking a second look that development may be economic expansion, but development is also change. If we break the value of products from natural resources down by major classifications, it will be seen that the development represented by the pulp mills has caused a major shift in the basic economy of our region from marine to land resources. For the period 1949-1953 marine resources accounted for 87% of the total value of natural resource products and land resources only 13%. For the period 1959-1961 marine resources had dropped in relative importance to account for only 43% of the total value of natural resource products and land resources rose to 57%. This shift has continued in the direction of land resources as pulp output rose, lumber at Wrangell and logs at Haines also increased.

There was also a basic shift in the industrial structure of the region's economy. This was the increased importance of manufacturing as a source of employment and income. Wage and salary payments in manufacturing (primarily fish processing) were \$3.8 million in 1950. With the addition of pulp production to the region's manufacturing industries, payments in 1960 rose to \$15.7 million. This was also accompanied by an expansion in employment and income in retail trade, services and government. As a source of personal income fishing and fish processing had fallen from accounting for 8% of total income in 1950 to 4% in 1960. Manufacturing rose from accounting for 18% of total income in 1950 to 30% in 1960. Finally, this development resulted in the introduction of the first major year round industry into the region other than retail trade and government.

The experience of the decade of the 1950's demonstrated that economic expansion will not automatically be translated into the social benefits we expect. The answer to questions as to why this is so can be found in recognizing that development is also change and this in turn requires that people change if they are to participate in its benefits. Traditionally, southeast Alaskans have been oriented to marine resources. With the shift of

the basic economy from the sea to land, participation required changes in the skills the members of the existing labor force had if they were to qualify for the new jobs. Further, the new jobs were essentially year round, not seasonal, and required that the worker be willing to submit to the work discipline of manufacturing and other secondary industries quite different from those of fishing if he was to participate. Finally, participation for many of our Native peoples would have required movement from their villages to new homes at the centers of development. Much more than vocational training was involved in the total changes required and none of this could be accomplished quickly, easily or painlessly.

Let us pause now to restate what has been discussed so far concerning the meaning of development. First, its meaning varies with its objectives. Here I have considered two major forms of development, economic which means material expansion, and social which means betterment of the human condition. These two forms of development are not necessarily the same thing. Economic development may result in social development, but it does not necessarily and it may even have adverse social effects. History is full of examples of economic expansion based upon ruthless human exploitation. The expansion of agriculture in the southern United States was based upon the enslavement of hundreds of thousands of natives of Africa, brutally and forceably removed from their homeland. The Industrial Revolution in Nineteenth Century England was in large part based upon the heartless exploitation of women and children as well as men in workhouses and the new factories, and more recently at the start of the present century in this country much of our industrial expansion was based upon exploitation of immigrants in the notorious sweat shops and mills. Secondly, we have seen development as a process as well as objectives. More production and better conditions, the objectives, are accompanied necessarily by change, a process changing our environment, our opportunities and our expectations and in turn requiring change in us.

Now I am ready to discuss the topic I had really been invited here to deal with. What can or should you as members of the Alaska Native Brotherhood and Alaska Native Sisterhood do about Alaska development? In light of what has already been said, we cannot or should not simply sit back and let things happen. You might argue that major development, such as the establishment of pulp mills, is something beyond our control. We do not have the

financial or technical means to do this ourselves and, therefore, must rely upon outside sources and decisions in which we play no part. This is true. But this organization and its members should keep as fully informed on planned developments as possible. You should be constantly concerned with anticipating the future in order to prepare for it. Returning to the case of the pulp mills, the decisions to build, the preliminary negotiations with the Forest Service and the local communities, the actual construction--these activities were started several years before the mills were ready for actual operation. We knew five years or so before they opened their doors approximately how many new jobs would be created, what these were and what skills they would require. In short, there was time to consider the future and prepare for it. But nothing was done to prepare the Native people for possible participation. The editor of The Christian Century in an article in the December 26, 1955 issue reported on the 1955 convention of the ANB and ANS. He had many good things to say about your organizations, but he drew attention to one shortcoming. "The brotherhood is too exclusively concerned with fisheries. This convention (1955), for example, passed no resolution demanding equality of employment opportunities in the new Ketchikan pulp mill, although discrimination against natives exists there, and other mills may soon be built. It had nothing to say about a program of training natives to enter logging and lumber mill operations or developing other skills with which they can make a living now that fishing is fading."

This is all past, but we should ask if we have learned anything since 1955. Federal and State agencies do have available the sort of information we need to anticipate the future. For the very short-run this can often be quite detailed and specific, but even for the long-run extending to the turn of the century the general pattern of development can be seen. Time does not permit detailed presentation of this here, but we can touch on the broad pattern of the future we should all be anticipating. In the immediate future of the next five years we can be reasonably certain that Southeast Alaska will have another pulp mill, that production in the two existing mills will be expanded and that there will be a more modest but continuing increase in other timber-using industries. Over an intermediate future period, say to the year 1985, we can anticipate acceleration in the reform of our present fisheries industry in the direction of diversification of harvest and produc-

tion and increased efficiency of operation. This means that although we anticipate increased output, we also anticipate no corresponding increase in jobs and even decreases as efficiency will require that the industry become less labor intensive than it has been if it is to survive. Looking further into the future, to the last decade of this century, we anticipate the addition of minerals industries based upon iron ore, copper, ferro-alloys and the possibility of electro-smelting of minerals based upon the Taiya power development. In short, the future we should be anticipating will be quite different from the past we are familiar with.

There is another role that the ANB and ANS can play and that is taking a hand in shaping this future in terms of objectives we have consciously chosen as being desirable. This is a role you have always played since the brotherhood was first created. There is considerable scope for us to influence development decisions through our political institutions in directions which would promote our chosen objectives. The log export control policy, for example, is aimed to promote the social objectives of creating more jobs within our region than would be the case if unprocessed materials were shipped out. Local hire legislation and regulations are also aimed at promoting social objectives which would not be the case if only economic objectives were considered. The manner in which our state government uses royalties and other income derived from petroleum will have important consequences on our future and we can make our views and desires known through our elected representatives. Through our political agencies we can insist that development be carried out in such a manner that other values we prize are not destroyed or debased. Pollution controls are essential if we are to have a physical environment fit for human life or if we are to preserve our fisheries.

Finally, consciously or unconsciously, we all make choices of the degree and form of our participation in the future. Choice should always be retained by the individual, but this organization and others should see that the individual in making his choice is fully aware of the alternatives open to him and is informed as to the possible costs as well as benefits of each. Reverting once again to the experience of the 1950's, I do not believe that this was the case then. Publicity was not given to what was known as to the alternatives and the basis for making choices as to whether or not to participate in the forest products industries or the form of participation. I will cite only one example. During the summer of 1948 the BIA had a survey made

of the economic and social conditions of the Southeast Alaska villages by an economist-anthropologist team. The report pointed out the obvious, just as I have here. That the future of the region would shift dominantly to land resources use and that if the Native people were to improve their economic lot, they should be prepared to participate in the emerging future. For those who did not choose to go the way of full involvement represented by employment in the mills or in the large logging operations, there was a very attractive alternative of partial participation in the form of small logging operations conducted in the off-season or on a part-time basis. But this could not be feasible on an individual or village basis. Therefore, it was recommended that the BIA promote the establishment of a regionwide log marketing cooperative to correlate and consolidate the outputs of several communities so as to even out the flow to market, establish standards of production and develop further market outlets in addition to the big mills. To my knowledge, these recommendations were never communicated to any of the Native leaders or people. In fact, I did not discover the report until many years later in the process of writing my first book. I am convinced that this sort of thing will not happen again, in the light of the programs and concern of the BIA with industrial development in relation to the Native people, but the ANB and ANS should be alert to see that it does not.

I would like to close by presenting a challenge to this convention to initiate steps which will increase the role the ANB and ANS play in Alaska's future. For years you have made education of your youth one of your primary concerns. This is one means of helping your young people prepare themselves to take a greater role in the emerging future. But there is also a need for continuing education and training for all age-groups, for the future will be a constantly changing one. You can assist your people in planning for participation through helping them to anticipate the changes and changing requirements. As in the past, your political influence and power must continue to be applied effectively to promote objectives which you have carefully chosen as being desirable. In addition to support of education and training programs, you should inaugurate programs of study of forms of economic organization, such as marketing or producers cooperatives, which realize additional developments made possible by the larger developments. Participation requires anticipation, planning, education, training, and organization. But we also have a role to

play in shaping the future as well as participating in it. An urban sociologist, Edmund Bacon, in his book Design of Cities has said, "We are in danger of losing one of the most important concepts of mankind, that the future is what we make it." This is the challenge I leave with the members of this convention.