



# Welcome to Wally World

BY MICHAEL LEWIS

Alaska is now into its fourth month of Wally World and the administration of Governor Wally Hickel is dissolving into a tepid puddle of mistakes, deceits, closed-door deals and public lies. It seems that rather than overwhelming the opposition with dazzling statesmanship, Hickelets are attempting to baffle the Alaskan public with steaming mounds of bullshit. And succeeding quite well.

Unfortunately, behind its obfuscating facade of ineptitude, Wally's Gang of Old White Men is promoting a massive program of oil, timber and mining development in Alaska with only cosmetic regard for environmental considerations. Mega-projects abound, such as the ludicrous proposal to build a water pipeline from Southeast Alaska to California. Wally has proclaimed Alaska "The Owner State," the nation's (geographically) largest corporation, thus finally acknowledging the death of "The Last Frontier."

As always, our supposed representatives to the Great National Asylum for the Helpless in Washington, DC, continue to work as the paid minions of the oil, timber and mining industries. A review of the voting records of Don Young (Congressman for All Alaskans, except me and 49% of the state), Ted (Born to Kill for Oil) Stevens and Frank (Murky) Murkowski, show an unwavering dedication to vote against any and all positive social and environmental legislation. Thousands of dollars of campaign support have far more influence than measly constituents' votes.

Despite advances in public environmental consciousness in the United States, Alaska remains one the last strongholds of rape-and-run development. Since oil prices are down and costs of BMWs and power ties are at an all-time high in Anchorage and Juneau, Hickelettes are scrambling to encourage development in Alaska to replenish the dwindling cornucopia. The bumper stickers no longer promise we won't piss it all away this time; just give us the boom, then we'll discuss how to spend it. 'Twas ever thus.

Pro-development forces in Alaska were heartened by the May 23 vote of the Senate Energy and Natural Resources Committee to call for the opening of the Arctic National Wildlife Refuge Arctic Coastal Plain to oil drilling and development. Despite continuing evidence of oil company lies, deceit and illegal practices, greed still is the dominant energy source in much of Alaska. Lead by Murkowski, Wally's 40 million dollar lobbying effort is paying off.

But through the din of clinking champagne glasses and hearty back slaps, a tiny moo of protest is being heard from the residents of the Arctic Coastal Plain. During the brief summer of the Alaskan Arctic, thousands of caribou return to the Arctic Coastal Plain to calve and fatten up for fall migration to southern feeding grounds. Two main herds make the yearly trek, the 180,000 animals in the Porcupine caribou herd and the 15,000 members of the Central Arctic caribou herd. Both herds have been held up by oil company apologists as examples of how oil development and wildlife can coexist.

This year's migration has led to concerns on the part of state and federal wildlife biologists over the continued well-being of these residents of the Arctic National Wildlife Refuge. Although the Porcupine herd appears healthy and growing at a steady rate of 5 percent per year, this year's calving took place almost entirely within the so-called R1002 area, that part of the Arctic Coastal Plain which has been proposed as the most likely site for oil development if the Arctic National Wildlife Refuge is opened to drilling.

It seems the ignorant ungulates haven't read Wally's reassurances to development interests that the "core calving area" proposed by wildlife biologists is a scientific fiction, and dropped their calves there anyway. Biologists who have studied the Porcupine herd have noted that access to the Arctic Coastal Plain

during calving periods is essential for the continued success of the herd. Calving times coincide with peak mosquito season in the North, and access to cool off-shore breezes relieves the caribou from harassment by the tiny blood-suckers. When such relief is not available, caribou pound up and do not rest or eat well, resulting in increased calf mortality.

To underscore the problem, biologists have noted an alarming decrease in successful calving in the declining Central caribou herd that calves near the Kuparik oil field at Prudhoe Bay. Ken Whitten, a state wildlife biologist who has worked with North Slope caribou for more than ten years, said the Kuparik oil field may have grown large enough to block movement within the herd's summer range. It's pretty clear that calf production in the Central Arctic herd will be pretty low. There is some indication that those close to the Kuparik oil field are doing worse, but then again, this year, nobody did very well up there. Whitten indicated that calving rates have dropped from a high of 80 calves per 100 cows ten years ago, to the current 50 calves per 100 cows. "And that's real bad," he said. In 1983, the Central Arctic caribou herd numbered 13,000. Whitten and other biologists will be surveying the herd this summer to determine this year's population level.

Meanwhile, Alaska's delegation (such as it is) to Washington continues to insist on development of the Arctic Coastal Plain for their friends in the Oil Busyness. Good Ol' Ted, the Federal Legislator who receives the greatest amount of campaign funding from the oil industry, insists that punching the caribou calving grounds full of holes is necessary to safeguard national security. Support is growing among the 49% of the state that doesn't wear ties for a moratorium on drilling in ANWR, and its declaration as a wilderness area. As the last section of undeveloped arctic coast in Alaska, the Arctic National Wildlife Refuge is too unique to sacrifice to the god of Big Oil.

The search for the new boom continues as Wally seeks to mollify the masses with a continuing flow of slimy profits and limitless Permanent Fund Dividend checks. In an amazing display of sleight-of-mouth, Wally has sidestepped criticism by ungrateful muckraking journalists who point out that he stands to gain obscene profits from his shares of Yukon Pacific. YP is attempting to build a natural gas pipeline from Prudhoe Bay to Valdez (now Alaska will have two sphincters!). Wally founded the company in 1982, and after his controversial election as Governor of the "Owner State," placed his 12 percent interest in the company in a "blind trust." If the pipeline is completed, Wally will stand to make at least \$10 million dollars on a deal actively promoted with state money through the office of the Governor.

The natural gas from



the project is proposed to be shipped to the Orient in huge pressurized tankers on the same route almost taken by the Exxon Valdez. So much for making the United States independent of foreign oil. The processing facility is planned to be constructed in Port Valdez, right next door to the Alyeska Marine Terminal facility, adding its hydrocarbons to the already thick brew in the air and waters of Prince William Sound.

But, alas, companies designing the project for the Governor, including Bechtel (remember the T-shirt?), have decided that the Koreans aren't ready for Wally's gas. YP officials claim they need promises to buy 7 million tons of natural gas per year to make the project feasible for construction and up to 15 million tons per year once the valve is opened. The Koreans only need 2 million tons per year and Japan is thinking about it. So construction has been put on the back burner for at least three or four years. Wally will just have to sit on his blind trust for a while.

Wally is really up on current affairs, and a great visionary such as he is always ready to hatch an audacious plan to benefit the shareholders of the Owner State (that's All Alaskans except me and 49% of the State). After hearing of the continuing drought ravaging the lawns and swimming pools of California and a trip to rainy Southeast Alaska, Wally put 2 and 2 together and came up with, well, 3 and 1/2. Governor Wally J. Hickel, CEO and chief visionary of The Owner State, all by himself, has hatched a plan called "The Alaska-California Sub-Oceanic Fresh Water Transport System." See, all you do is take a big hose, and you put one end in Southeast Alaska and you run the other end under the ocean to California and you just turn on the spigot and hold out your hand for the pay-off! Wow! What a deal! And it's just water, so there's no environmental problems, right? And Alaska's got more water than it needs! Look, it just runs off there into the ocean. Wow!

To help those of us who are visionary-impaired, Wally commissioned a poster showing the project in all its exciting detail. The poster was paid for by, and will be sold by, the Republican Party, which is strange because Wally's not a Republican, since he switched to the Independence Party to get elected Governor so he could come up with this wonderful plan. Anyway, Wally says it's a good idea, and he should know 'cause he's got the water guys from California coming up here to talk to him about it and they're real thirsty.

As if a water pipeline to California wasn't enough, now Wally wants to send Midnight Sun-generated electricity to California as well! The latest scheme concocted by our Chief Visionary is to build a hydroelectric project, well, yeah, a lot

like James Bay, and hook it up to a satellite dish and shoot the electricity to California via satellite! Not only that, then we'd have another big lake for all our tourists to play on! As the Big Guy says, "Big projects define civilization. So why war? Why not big projects?"

Governor Hickel recently assured the mining industry that the Gang of Old White Men supports expanded mining in Alaska, and industry officials should not be intimidated by opposition from environmentalists. At a grand wine-and-dine bash put on by Echo Bay Alaska, Inc., a Canadian company seeking to re-open the A-J gold mine in Juneau, Wally gave his standard pro-development speech. "Our message to the mining industry is that, yes, you're welcome," said the head OWM. "We know that you've already committed yourself to doing it right." Wally failed to define what "it" was. He nevertheless received his usual disgusting standing ovation.

The A-J mine bid is one among many proposed mining projects that will adversely affect the environment of the state, including the Windy Craggy mine just over the Canadian border. Letters of concern sent to Wally about mining in the state are referred to the Department of Natural Resources where a low-level flack drafts a limp response with such phrases as "The Commissioner [Harold Heinze, past President of ARCO-Alaska] considers the environmental integrity of the mine his personal responsibility. If the project goes ahead, it will be with the assurance that technical questions have been answered to his satisfaction." They don't even bother to lie anymore. They just tell us, "Buzz off, little people. We are in control."

The state's Department of Environmental Conservation is no help in overseeing the mining industry's destructive activities. DEC Commissioner John Sandor was a member of the board of directors for Alaska Dano Mines Co., a major development corporation in Alaska. DEC has always had one hand tied behind its back by the Alaska legislature, the finest state legislature money can buy. Now with a company puppet at the head of the table, little can be expected from this regulatory agency.

Expansion of the mining industry in Alaska threatens to expose more areas of land in the Interior and coastal waters in Southeast Alaska to toxic runoff and inundation under millions of tons of waste rock. The Greens Creek silver mine, permitted by the US Forest Service on Admiralty Island near Juneau, has been discovered to have four times more ore than originally thought. Expanded development of this mine would mean four times more waste rock to be disposed of in a yet to be determined location. In Alaska, the Forest Service is a multiple-use agency, meaning they bend over for mining interests as well as the timber industry.

Hearings in Alaska for proposed changes in the 1872 Mining Act brought out a herd of hirsute hardrockers, eager to preserve their favored access to public lands. Since 99.44% of mining claims on Federal lands are in Alaska, those who have taken advantage of the outdated law to rape and pillage for their own profit were understandably upset with this legislative attempt to kill their golden goose. Interest was particularly intense in the Fairbanks area, where mining influence has held great economic sway for many years. Despite arsenic leaching from unlined settlement ponds into the Fairbanks water supply, miners have traditionally been unopposed in this area of historic placer gold mining. Abandoned gold dredges are promoted as historic sites in a lunar landscape devastated by mile-long gouges and windrows of toxic tailings. Poor little miners whined to the visiting Burrow of Land Mismanagement officials that proposed changes in the ancient Mining Act would cause the end of family-owned mines in Alaska. And about time, too.

The truth, of course, is that easy access to

public lands through bogus or marginal mineral claims has paved the way to continuing development of this interior region of thin soils and easily disrupted environment. The insult of development and mining activity around Fairbanks will take centuries to heal, long after greedy humans have spent their measly profits. As with almost all Alaska economic activities, greed has far greater influence than environmental awareness.

Oil is still king in Alaska, despite the fact that one King salmon is still worth more than a barrel of North Slope crude. Exxon and the state's tourism hacks are busy trying to make everyone believe the Exxon Valdez oil spill is over and done with and Prince William Sound is all better now. Despite their assurances, crews have been at work on the beaches since May cleaning up oil still on the rocks two years after Exxon killed the waters

organizations in their concern for the effects of the inevitable oil spills on the pack ice of these constantly frozen regions. Oil spilled on or under the constantly shifting ice would be impossible to recover and would remain in the environment for decades, causing untold damage to the fragile life cycle of the Arctic. Whether or not the CPC can stop the proposed leases, its attempts will undoubtedly cool the fervor of the oil companies to put up megabucks for access to these areas that they may be unable to develop, due to rising environmental and cultural concerns.

Despite scrutiny created by the Exxon Valdez Oil Spill, Exxon and the other members of the consortium operating the Trans-Alaska Pipeline System continue to violate national and international laws concerning handling of oil and toxic wastes. Exxon and British Petroleum were recently caught unloading toxic wastes into the Ballast Wastewater Treatment Facility at the Alyeska Marine Terminal at the sphincter of the pipeline in Valdez. A recent dump of ballast water killed off the oil-eating bacteria in the treatment facility, causing unprocessed hydrocarbons to be dumped into the waters of Port Valdez and Prince William Sound.

An Alaska state legislator, Senator Kurt Menard, has blasted Alyeska and the oil companies for using deceptive, illegal practices for handling toxic wastes aboard north-bound tankers docking at the Alyeska terminal. Subsequent investigation has revealed that oil companies routinely load tanker washings containing toxic solvents on north bound tankers, and even transfer toxic materials at sea before reaching Alaska. Recent searches of oil company records have revealed that ARCO

has participated in transporting toxic materials to Alaska and has dumped toxic wastes into the Gulf of Alaska off Yakutat before reaching Alaskan waters. Recent massive die-offs of sea birds and marine mammals in the Yakutat area are suspected of having resulted from oil company dumping of toxic materials. ARCO has recently flooded Alaska with ads proclaiming ARCO to be the purveyor of "Environmentally Conscious Energy." Whatever that means to ARCO, it's another case of oil industry lies attempting to divert our attention while they destroy our environment to line their own pockets. When asked about the on-going investigation, a state official replied, "Figure it out. Toxic wastes cost \$400 per barrel to dispose of legally. How much profit does a barrel of oil bring in?" Efforts are being made by Alaska state officials to document the practice of toxic waste dumping by oil companies, but their efforts are hampered by oil industry domination of regulatory agencies in the state, as well as the huge expanse of ocean traversed by oil tankers on their way to Alaskan waters.

A new concern of oil industry watchdogs in Alaska has raised an even uglier head than toxic dumping. Prompted by investigations in the oil industry outside of Alaska, state officials have recently become concerned over residual radioactivity in oilfield pipes found across the state in sites ranging from oil pipe stack yards to children's playgrounds, where old oil pipe has been used to build play equipment. Radiation has been found in several sites, though, of course, experts are at odds as to the significance of the levels discovered. But since little is known about the effects of exposure to low level radiation, state officials are operating on the assumption that too much caution is better than too little.

Besides radioactivity remaining in used pipe, sites at Prudhoe Bay on the North Slope have been found to be contaminated by radioactive tracing materials abandoned in buildings and buried close to the surface. The oil companies' assertions that Prudhoe Bay is a model of state-of-the-art environmental technology makes the whole situation even scarier than before.

And the World of Wally continues....



of the Sound. Several once-teeming bird nesting areas are barren, numbers of sea otters, sea lions, harbor seals and orcas are down drastically over the last two years, but Exxon's official liars still tell us the Sound has recovered and wildlife is back to normal. Federal On-Scene Coordinator for the oil spill clean-up, Admiral David Ciancaglini, has taken Exxon officials to task for "over-optimising" their characterization of clean-up activities in this year's efforts.

Meanwhile, attempts by Wally and the Gang of Old White Men to enter into a 2-billion dollar back-room deal with Exxon over settlement for damages have failed to pass legislative scrutiny. The state body refused to sign off on Wally's deal with Exxon's chairman Lawrence Rawl in a dispute over a proposed lock-out of Alaska native claims for damages. In a last minute attack of weeniness, state legislators asked the Governor to approach the Big E for another try at a deal. This time Wally won't submit the outcome for the lawmakers' approval, or for public input. Such negotiations are too important for participation by us mere mortals.

Rights to drill for oil in the Beaufort and Chukchi Seas are up for lease in June and August this summer, but an obscure Native organization may have found a way to put the kaibosh on this sweet deal, or, at the least, introduce Native concerns into the bargaining process. The Alaska Coastal Policy Council is a Native community-based organization formed by Congress fourteen years ago to give residents of coastal areas the power to determine what activities take place in their own regions. Despite attempts by the state legislature to gut the council of its powers, the CPC still has the authority to tell the State of Alaska to hold off on conducting oil lease sales in Alaskan coastal waters until it is satisfied that Native subsistence and environmental concerns have been met.

Chief concern of Alaskan Natives living on the coast of the Chukchi and Beaufort Seas is the effect off-shore drilling will have on the migration patterns of whales and other sea mammals of the area, on which the Natives depend for their traditional physical and spiritual lifestyle. They are also joined by other environmental