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Alaska needs big, bold ideas now

Small may be beautiful in other parts of the country, but in the Arctic, big is beautiful. Of all states, Alaska's bounty comes from boldness.

In a newly released documentary called "Building Alaska," Ken Mandel tells the story of how big projects, from the White Pass and Yukon Railroad to the trans-Alaska oil pipeline, have been the keys to modern Alaska.

Today our state has billions of dollars in surplus savings not because we've pinched pennies, but because we thought big. Our dreams and accomplishments have made us a success.

Unlike most states, Alaska has a positive trade balance with China and Japan. We are a net exporter of resources that generate the revenues that pay for state government services while our citizens pay no state income or sales taxes.

Our first governor, Bill Egan, wisely selected lands at the North Slope as part of our statehood entitlement. Exploration companies swarmed the Slope but, by the time I was elected in 1966, they had found nothing to get excited about. Only Atlantic Richfield was left. I flew to Prudhoe Bay and confronted their lead geologist, Harry Jamison, when he told me that they, too, were pulling out.

"You drill, or I will," I said. He knew I meant it. The following year they discovered the biggest oil reservoir in North America.

To get that oil to market, we built the largest project in the history of free enterprise, the trans-Alaska oil pipeline. But it didn't just happen.

As Interior Secretary in 1970, I had to force Humble Oil, now Exxon, to get on board. I told CEO Mike Wright that if they continued to boycott the project I would tell the nation they were putting their

WALLY HICKEL

COMMENT



corporate interests ahead of the American people. He chose not to risk the bad press at a time when Arab oil states were shutting down U.S. energy supplies.

I then told the CEOs of Humble, BP and Atlantic Richfield that I couldn't deal with their loose pipeline consortium of seven companies. "I want one man to deal with," I said, "and I want him in 30 days."

A month later, Ed Patton walked through the door. A brilliant pipeliner, Ed masterminded one of the modern wonders of the world.

Where are the Alaskans today bold enough to champion big projects? There is so much opportunity. Here are two such projects that could make Alaska billions and create well-paying jobs for Alaskans for generations:

• **A natural gas pipeline to Valdez.**

The state should build and own a 48-inch diameter natural gas pipeline from Prudhoe Bay to Valdez and ship our trillions of cubic feet of gas as LNG to world markets where they will earn a fortune for Alaskans.

Gov. Sarah Palin maintains that a gas line across Canada makes economic sense and is best for Alaska. That's not true. And don't be fooled by a measly 24-inch diameter bullet line from Prudhoe to

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Anchorage. It will never be built, because without the volume of a large pipeline Southcentral homeowners and businesses won't be able to afford the gas.

If I were governor, we would start building the All-Alaska gas line tomorrow. All it takes is some guts and a decision.

• **A railroad around the world.**

The missing links for a railroad around the world are the segments from Fairbanks west to Wales, near Nome, and east to Whitehorse. Let's build them now.

The Russians are extending the Siberian railway east to meet us. I have met the engineers planning the link from Yakutsk to Chukotka and have seen their design for a tunnel under the Bering Strait. This project can be a symbol of a new era of U.S.-Russia relations and will be the trip of a lifetime. It will also carry the resources of the Arctic to the world.

Mark my words, if we don't jump at this opportunity, Russia will backhaul its vast mineral resources from the Russian Far East directly into China.

Will the next champion of Alaska please step forward?

Walter J. Hickel served as governor of Alaska from 1966-1968 and from 1990-1994 and as U.S. Secretary of the Interior from 1969-1970. He is the founder of the Institute of the North and can be reached at wjhickel@gni.net.