



## Societal Implications

When evaluating the impact a large decision such as whether or not to drill in the Arctic National Wildlife Refuge (ANWR) will have on a region, the sociological implications of the action must be taken into consideration. Since the current situation is already known and would not change drastically if drilling did not occur, research focused on what would happen if drilling was allowed. Though the results of drilling may be more pronounced and long-term for the environment, any detrimental or beneficial effects that such operations have on the people of Alaska will be immediately vocalized and brought to the attention of the global community.

Though people throughout the world will be affected by drilling, the people of Alaska are nearest to the heart of the issue and will therefore bear the major effects of oil drilling. Most of the citizens of this state can be grouped into four general categories, based on their beliefs, culture, or current occupation. Though the groups may vary in size and political clout, all have a stake in the future of Alaska. Therefore, the opinions of all four groups must be weighed before a decision can be reached on this issue.

The people who have lived in Alaska the longest are the native tribes. In the ANWR area of Alaska, there are two main tribes - the Gwich'in and Inupiat. The larger Gwich'in tribe subsists mainly on land animals, especially the caribou, and would be adversely impacted by the effects

oil drilling would have on these species. In contrast, the Inupiat support drilling because the money it would bring in to the area would allow them to modernize many aspects of their life. Since their diet is primarily one of sea animals, their food source would not be seriously affected by onshore drilling.

Research done on the impact of oil drilling on the rest of Alaska's citizens suggests that such activities may be beneficial in the short-term but detrimental in the long run. Certainly, jobs would be created, but these would be temporary and would expire as quickly as the oil disappeared. Congressional power of the state would rise with increasing oil production, but most estimates conclude that no oil would appear on the market for at least ten years. The eventual influx of new wealth appeals to many of Alaska's citizens, and that is why the majority of the people of Alaska support drilling.

Those who play roles in the corporations and government of Alaska will also be impacted by oil drilling in the 1002 region. There are two different types of corporations, and each has a different view on drilling. The corporations owned by the natives must keep an eye out for the health of the people and the local environment, so they support looking for other places to drill. On the other hand, outside corporations, including the large oil companies, are seeking to drill in ANWR to increase their profits while creating short-term jobs for the local communities.

Finally, Alaskan environmental groups, who of course oppose all drilling, will be affected by drilling. If such activities are allowed, most groups have vowed to issue time and money consuming litigation which will slow the actual start of drilling. This litigation will either increase or decrease the power of these green groups, depending on how it is depicted by the media. Either way, these groups will try their hardest to oust any drilling from the region if it becomes a reality.

In evaluating the total impact of this decision on the people, it was found that there would be several negatives and positives. These effects will be factored into the cost-benefit analysis to determine the overall impact of drilling on Alaska. While no amount of research can correctly ascertain the true impact of future drilling, one can be assured that the sociological implications will be great.

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# Societal Implications - Alaskan Environmentalists

## Overview/Background

To a certain extent, many Alaskans, are "environmentalists." This largest subset of the general population includes men and women of every ethnicity and religion who recycle, teach their children not to litter, and help protect the environment in small ways. A smaller portion takes a more active role in environmental protection. Most of these individuals participate in environmental activities while showing respect for the law. Only a small number of environmentalists go to the extreme of breaking the law to "fight" for what they believe, yet this small sample has given a bad reputation to the entire environmentalist movement (Whitehurst, Jr., 2002). The news media's coverage of the outrageous and dangerous activities of the most demonstrative activists has formed an incorrect stereotype of a tree-hugging, dirt-loving green freak as the prime example of an environmentalist.

In recent years, the environmental movement has become slightly more radical. Clinton's election in 1992 led to a decrease in private funding for most groups because the Democratic president was expected to adopt a more liberal environmental policy. To deal with this financial crisis, green groups became dependent on foundation grants from organizations supporting a harder, more extreme environmental line. This in turn meant the environmental groups adopted the donating group's more extreme stance. The Bush administration will therefore have to deal with more aggressive environmental interest groups than did his predecessor's (Thoreau Institute, 2001).

## Specifics

General estimates based on informational interviews conclude that roughly three to five percent of Alaskans are registered environmentalists. Surveys suggest that somewhere between twenty and thirty percent of Alaskans support the environment, but the majority of opposition to drilling in the Arctic National Wildlife Refuge (ANWR) comes from outside the state (Defenders of Wildlife, 2003). It has been found that more than half of Americans do not want drilling in ANWR, which means that Alaskans are actually more supportive of drilling than the rest of the nation. This drilling issue has become a focal point for several vocal green organizations, but the majority are not specifically Alaskan in composition. One group web site commented that "opposition to ANWR oil exploration is one of those rare issues where you can find consensus among all or most environmental groups" (Michaels, 2001).

Focusing in on the groups that are based in Alaska, several general trends can be discerned. These groups are closely intertwined and cooperative in nature; they coordinate local, state, and national events to raise awareness about the issue; they are not solely concerned with the issue of drilling in ANWR; and they are typically privately funded (Scanalon, 2003). Political and corporate campaigns are being waged simultaneously, and

groups are urging their members and other concerned citizens to write their representatives in Congress and the heads of the oil companies (SaveTheArctic.com, 2003). Very few of these groups currently have a plan for what course they would pursue if drilling was allowed in ANWR, but several have said that some sort of litigation would be forthcoming. Since an Environmental Impact Statement must be written in a process which requires public input before any drilling can start, these groups would definitely use that time to input their opinions on the issue and slow the start of drilling.

The reality is that these groups are not planning a backup because they believe there is "a lot of momentum behind the movement to keep the oil companies out of the area." Since this issue seems to be more about politics than the actual oil that can be taken from the site, some Alaskan environmental groups have stated that they would not accept a compromise on this issue. Opening even a small portion would make the whole area vulnerable, since drilling in only one part would not be economical (Scanlon, 2003).

Another consideration to take into account is the moral support that the environmental groups have recently acquired. Catholic, Protestant, Jewish, and Evangelical Christian leaders formed the National Religious Partners for the Environment, and recent advertisements cosponsored by the National Council of Churches and the Sierra Club say that "caring for creation" is incompatible with Bush's oil drilling proposal (N/A, 2003).

A final consideration is an economic one based on the way green groups view the public lands they are trying to protect. Examples can be found where environmental groups allowed oil drilling in lands they owned to raise money to support efforts to protect other lands that were considered "more valuable." By opposing drilling in ANWR, environmental groups can capitalize on contributions while losing nothing (Lee, 2002).

## **Conclusion**

Environmentalists will not support any amount of drilling in ANWR. The heart of their argument is that "you can't have development and wilderness it's either one or the other. No matter how well done, oil development will industrialize a unique, wild area that is the biological heart of the refuge" (SaveTheArctic.com, 2003). Groups have helped build awareness and resistance to oil drilling in the refuge. If drilling is allowed, costly litigation will be pursued and the issue will not be dropped for a long period of time. This litigation will be similar to that filed after drilling was allowed in Prudhoe Bay or after the Trans-Alaska Pipeline was built, but it will be larger and more intense in scope since more groups are focused on this current issue. To limit the litigation the environmental groups will pursue, the method of drilling that least impacts the environment must be chosen. Drilling itself may actively strengthen the support of the environmental groups, though a perceived improper response to drilling may conversely injure the environmental movement in Alaska.

The lack of compromise that is inherently present in these groups' beliefs makes it easy to see what they want but almost impossible to fit them into an encompassing solution that results in the drilling of ANWR, even drilling that is "environmentally-friendly." Still, the effect these groups will have on the time it takes to actually start drilling, the political and economic cost of their litigation, and their ability to dissipate information about the negative environmental impacts of drilling to the public must not be ignored.

## Societal Implications - Alaskan Citizens

Alaskans feel that they should have more of a say in what happens to their land than U.S. citizens who live in the states. According to Common Wealth North, a non-profit organization that discusses Alaskan state issues, oil drilling would be beneficial for Alaska for several reasons. First of all, there will be higher income for the state treasury, and this money will create more jobs, and more people will go to Alaska. The population influx will create more power for the state of Alaska because of increased representation in Congress due. It is projected by Common Wealth North that there will be economic benefits from construction activity as well as long term project benefits from construction activity and in-state ownerships of a project.

We must also consider what will happen when the oil runs out. There is a trust fund that is similar to Social Security called the Permanent Fund that holds all the revenue that Alaska makes through oil drilling, and a portion of this money is given to Alaskan citizens every year. As of June 2003, the Permanent Fund was valued at \$24.2 billion. It was the voters' decision to create this fund and its purpose is to conserve the revenue from oil drilling to make oil drilling revenues last (Alaska Permanent Fund Corporation, [www.apfc.org](http://www.apfc.org)).

An article written by Don Shackelford in the Anchorage Press reflects upon the book *Crude Dreams* by Jack Roderick. Shackelford notes that, instead of America being dependent on foreign oil, Alaska's economy will be dependent on oil. Alaska could be analogous to third world countries whose economy is saved by oil which almost always leads to social disruption. He thinks that oil drilling is a love-hate relationship for all Alaskan citizens because of the inherent destruction and exploitation contrasted with the revenue received from oil drilling.

According to Tom Moran's article in the Fairbanks Daily News-Miner, "*Increasing Revenue*", some people argue that drilling ANWR will be the only way to pay for the deficit that Alaska has now. However, if there was drilling, it would not produce revenues until after all the reserve money is gone (estimated to be Jan 2007). However, according to Andrea Doll from JuneauEmpire, a barrel of oil would not be seen until 2010, and drilling is a risk because it is not known whether or not revenues from oil drilling will cover the debts that Alaska has.

According to Alaskan Ben Crosby, one of our mentors for Mission 2007, citizens are very active voters, especially concerning local government. For the most part, according to trends, most Alaskan citizens do not have a tendency to save any of Permanent Fund dividends. Permanent Fund Dividends are given out to all citizens of any age, including infants. In our interview, he gave a very relevant example; he introduced a similar situation to oil drilling where an Alaskan town was developed for non-renewable resources. The area was near Kotzebue, and the development was a zinc mine called Red Dog Mine. In this situation, there was a lot of "fast cash" to which citizens flocked. Jobs were created to maintain the services needed to keep up this project of taking zinc out of the mine. This is analogous to drilling in ANWR because oil is a nonrenewable resource and will create jobs for Alaskans as did Red Dog Mine. In the case of Red Dog Mine, fathers and mothers would go

to this mine and work there for large amounts of cash that they were not used to. This created a multitude of problems including family breakdown due to parental absence. In addition, lack of income once the renewable resource was gone was a major issue. Due to the culture, most Alaskans do not have a tendency to save for the future, and, when the zinc from the mine was gone, so were the jobs and source of money for these families that were dependent on it.

Although it is true that drilling for oil in ANWR will create jobs and might help pay off the deficit of Alaska State, questions arise as to how fast this money will come in and how long the jobs will last. From past examples such as the Red Dog Mine, the results are not very favorable. Such projects have resulted in quick wealth, and, when the jobs were eliminated because there was no more zinc, the wealth was eliminated as well. Meanwhile, development weakened family units due to absence of parents who worked far from home.

There is a Permanent Fund, and this will help distribute and lengthen the wealth from oil. However, there have been votes as to whether or not Permanent Fund should just be given out in larger chunks, and the votes have come closely in favor. This suggests that the mentality of most Alaskan citizens is not to save.

From estimates, a barrel of oil would not be seen until ten years later if drilling began today. There will be increased power in Congress for Alaska due to increased representation; however, instead of the US being dependent on foreign oil as most proponents for drilling argue, the power of Alaska State will be dependent on something as unreliable as oil drilling.

# Societal Implications - Native Alaskans

## Importance of the Environment

The subsistence strategy of both the Inupiat and Gwich'in depends on the environment. The Inupiat of Kaktovik rely primarily on the sea for their diet, whereas the Gwich'in diet is based primarily upon the Porcupine Caribou and other land species.

## Oil Drilling

The majority of Kaktovik Inupiat support drilling. They believe drilling, the revenues associated with it, and the influx of people will improve schools and health care, and create jobs.

The Gwich'in are strongly opposed to drilling in ANWR. "In 1988, our people became aware of oil companies trying to gain access to the coastal plain of the Arctic National Wildlife Refuge. Oil development there would harm the caribou and threaten our future. So we gathered for the first time in over a hundred years in Arctic Village. The Gwich'in Nation was reborn. Everyone spoke resolutely about how important the caribou are to our culture. At the end of the gathering, we spoke with one voice, one mind and one heart with a renewed commitment to protect our way of life for future generations. We came up with the Gwich'in Nintsyaa-a unified standing resolution calling for permanent protection of the Porcupine Caribou Herd birthplace. The Gwich'in Steering Committee was created." (Faith Gemmil)

## Economy and Employment

The Inupiat of Kaktovik need an outside source of employment to bolster their economy and provide them with the funds to improve their living conditions and support technology-enhanced subsistence. Kaktovik does not currently have sanitation facilities, and the unemployment rate is 15.8% (about 10% above the national average), but 27.4% of the eligible workforce is not seeking employment. More drilling in Alaska would result in higher yields from the Alaska Permanent Fund Dividend Program, giving the Inupiat and all Alaskans more purchasing power. The Inupiat native corporation, Arctic Slope Regional Corporation, would increase in value and thereby increase the value of the Inupiat shareholders' stocks if their corporation were to become involved in the drilling process. These jobs, however, would not be permanent, and the economy of Kaktovik would not be stable in the long run.

The Gwich'in also suffer from a high unemployment rate (16.7% in Arctic Village, 36.2% in Venetie, 18.0% in Fort Yukon, and 0% in Chalkyitsik). The percent of natives not seeking employment is also higher in Kaktovik villages (26.3% in Arctic Village, 52.1% in Venetie, 35.6% in Fort Yukon, and 63.8% in Chalkyitsik). More jobs would be available if drilling were to begin in ANWR, but it is uncertain if the Gwich'in would take these

jobs. More drilling in Alaska would result in higher yields from the Alaska Permanent Fund Dividend Program, giving the Inupiat more purchasing power. If Doyon Drilling, the Gwich'in regional drilling corporation, became involved in the drilling process, then Gwich'in shareholders' stocks would increase.

## **Rights of the People**

The International Porcupine Caribou Commission [IPCC] (comprised of Venetie, Fort Yukon, and [Inupiat] Kaktovik in Alaska; and Old Crow in the Yukon Territory.) formed to address the rights of Alaskan natives. The IPCC's major joint statement is, "In no case may a people be deprived of its own means of subsistence." A large scale impact to the Porcupine Caribou herd from drilling in ANWR is a threat to the Gwich'in means of subsistence.

## **Summary of the Inupiat of Kaktovik Perspective**

The Inupiat primarily subsist on marine mammals and fish and use land mammals and fowl to supplement their subsistence. While the Inupiat are concerned with the caribou, adverse effects on the Porcupine Caribou herd from drilling would not destroy their subsistence strategy. Instead, the Inupiat Eskimos of Kaktovik are in need of jobs due to the high cost of living and higher than average unemployment rates. Drilling would be the mechanism to revitalize their economy by providing jobs, revenues for sanitation services, increasing their yearly dividends through the Alaska Permanent Fund Dividend Program, and increasing the value of their shares in Arctic Slope Regional Corporation if the corporation is involved in the drilling process. The majority of Kaktovik Inupiat embrace drilling in the 1002 area as long as the drilling is onshore (Drilling offshore would adversely affect their subsistence strategy because the noise from rigs and seismic exploration is proven to deter bowhead whales within a 20 mile radius.).

## **Summary of the Gwich'in Perspective**

The Athabascan Gwich'in (Caribou People) do not as a whole support drilling in the 1002 area as shown through the Gwich'in Steering Committee. They feel that enough research exists to substantiate the claim that oil drilling displaces calving caribou, and if the caribou (their main source of subsistence) are displaced from their prime feeding ground, the herd will dwindle and subsequently the Gwich'in population's food source will decrease. According to the resolution formed by the International Porcupine Caribou Commission, "In no case may a people be deprived of its own means of subsistence." The Gwich'in could benefit from oil drilling through seasonal work, increased dividends from the Alaska Permanent Fund Dividend Program, and if their drilling corporation, Doyon Drilling, Inc., drilled in ANWR, Gwich'in stocks in Doyon would increase from oil revenues. However, the Gwich'in do not value these economic incentives for drilling as much as they value keeping their subsistence strategy and culture intact.

# Societal Implications - Alaskan Corporations

The Alaska Native Claim Settlement Act divided land in Alaska among several Alaskan corporations, private property, governmental, and national parks. These lands fall on top of each other. This means that the Arctic National Wildlife Refuge and the 1002 area are national parks, yet there are spots of land that are territories of native corporations. These spots of land include primarily the villages of native Alaskans. Such areas are creating the greatest controversy because they are corporately owned, so the corporations feel that they should be able to do whatever they please with this area. The locations are also in a federally protected area, so certain limitations are in place. On the North Slope, the Arctic Slope Regional Corporation (ASRC) is in control of the land. This land includes the 1002 region, which is approximately half of ANWR. The Doyon company is in charge of the largest area of land in Alaska and is in charge of the rest of ANWR. The actions of each company directly affects the other company, because they are so close to each other and share same types of resources.

Corporations want to drill for oil, because it will lead to profit; however, native corporations, which are owned by the natives that live in the area, are concerned about the condition of the environment and the health of their people. The ASRC has several underlying diversified companies including: ASRC Energy Services and Petro Star which are primarily concentrated on oil drilling, Alaska Growth Capital which is a banking system, and Top of the World Hotel which is a tourist enterprise that depends on a pristine wilderness. Doyon has corporations that are just as varied such as the following: Doyon Tourism, Doyon Drilling, Lands and Natural Resources, and The Doyon Foundation which has an emphasis on the well-being of Native Alaskans. If the native corporations were solely concerned with obtaining oil, one would think they would be completely pro oil exploration in the 1002 area, but the corporations also know that there are other sites in Alaska with oil. For example, the ASRC stated in their 2002 annual report, "ASRC will continue to advocate for development of our resources in the coastal plain of the Arctic National Wildlife Refuge (ANWR), but ANWR is not the only egg in the basket. With opposition in Congress still a barrier to ANWR, oil industry attention is now focusing on the National Petroleum Reserve Alaska (NPR-A). The Company strongly supports exploration and development in the NPR-A because of the jobs and other economic boost it would give to our region" (pg. 4).

In addition, Deborah Williams, part of the Alaska Conservatory, pointed out that the Alaskan government does not acquire taxes from its people or companies and that there is no tourism fee. Several cruises use Alaska as their main destination every season. As stated earlier, the corporations are involved with tourism, and those branches of the corporation could expand and profit from an inflated tourism program. The Alaskan government likes the prospect of drilling because it obtains royalty revenue from the drilling corporations, but revenue can also be obtained from other means such as tourism.

Drilling affects families possibly quite detrimentally. Workers will live at the drilling site for long shifts because of the length of the commute to get to the drilling site. Traditionally, shifts last around two to four weeks. It is not optimal setting to raise a child in a home that has one or more of its caretakers gone for this amount of time.

