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FEDERAL FIELD COMMITTEE FOR
DEVELOPMENT PLANNING IN ALASKA
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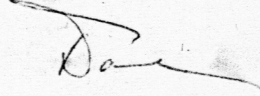
JAN 26 1968

Mr. David R. Klein
Cooperative Wildlife Research Unit
University of Alaska
College, Alaska 99701

Dear Dave:

Here are the notes I promised I would give you reflecting
my personal thoughts and observations on the current reindeer
situation.

Sincerely,



David M. Hickok
Natural Resources Officer

Enclosure

OBSERVATIONS ON THE ALASKA REINDEER SITUATION, 1968

by David M. Hickok

I. INTRODUCTION

At the present time there exists a flurry of excitement within state and federal government, the University of Alaska, and on the part of a few entrepreneurial interests to "do something about the reindeer industry."

The writer has undertaken in recent weeks to determine for his own satisfaction what is fact and possible and what is fancy and impractical among current interests and to report the observations gained to the Chairman of the Federal Field Committee.

But before citing specific thoughts, one observation is overriding and so important to my mind that it requires initial and continuous emphasis for an understanding of the reindeer situation. It is this. There exists within the herders themselves and other Natives who had been or who would like to be herders considerable dissatisfaction, bitterness, suspicion, and even fear and hatred of government. Some of this is historic due to the handling of the 1930's problems, some is current. But for whatever reason, right or wrong, deserved or undeserved, these emotions and feelings exist--and perhaps the most important is fear!

The following comments may serve as a perspective for appraisal of the current reindeer situation and the practicality of certain program actions. Observations are grouped categorically for production; slaughtering, processing and marketing; and attitudes of interest groups.

II. PRODUCTION

A. CURRENT STATUS

1. Fourteen Native herders on the Seward Peninsula own or have government owned reindeer on loan. In addition, BIA owns and operates two herds, one at Nome and one on Nunivak Island. The herds of immediate concern are those privately owned on the Seward Peninsula totaling about 30,000 animals. Of these nearly half (12,000 to 14,000) are in one ownership.

2. The herders are organized through the Northwestern Alaska Reindeer Herders Association. The Association has Articles of Association and by-laws and meets at least annually.

3. The herders' reindeer graze Public Domain lands of the Seward Peninsula under BLM permit. Each herd is supposedly confined to a unit allotment under permit. Permits specify numbers of animals permitted on each allotment, but permit numbers were not historically determined on a basis of range carrying capacity nor do they now have any such basis in fact. Units vary in size from 200-300,000 acres to 2-1/4 million acres.

4. Range facilities (i.e., corrals, cabins, etc.,) consist of 35 to 50 year-old facilities constructed by the old Native reindeer associations, the old Reindeer Service and the Lomen Company plus a few new facilities constructed jointly by the BIA and the herders in the last two years.

5. Some herds (such as the Henry herd) are too small; others (such as the Golovin herd) are too large to constitute balanced economic livestock production units. Still others, such as the Goodhope herd, constitute basically good husbandry and production units. However, it must be emphasized that there is no single figure for optimum herd size. Such depends upon the herder's family, his standard of living, transportation variables, the degree of herd tameness, predation, poaching, etc.

6. Reindeer poaching is common by Natives and whites alike. Existing production figures are skewed by the effects of such activity. For example, one herd probably provides local people with five times the number of animals as are sold by the owner-herder. This situation is not altogether bad either due to increasing protein deficiency problems existent among Native peoples of the Seward Peninsula.

7. Despite over 40 years of reindeer range investigation, range carrying capacities are little understood and virtually unapplied to herd management. No one can say with any real authority whether any particular range is being overgrazed.

8. Although the state has a brand inspection law and reindeer are earmarked, there is no authority that is both legally authorized and respected by the people for the determination of brand, gathering and handling disputes arising from the intermingling of herds and the resultant need for ownership determinations.

9. The reindeer herder is a highly respected member of the Native population. Many educated (high school) youths have told me of their interest in becoming herders, but virtually no opportunity exists for them to enter the field. Under current allotment practices, the possibility exists for the establishment of five to seven new grazing units. Animals might be available for these in two ways: in limited numbers from the BIA revolving animal loan program (many problems, however, exist in this arrangement and procedure); and/or possibly by private transfer arrangement from the large Golovin (Aukongak) herd if low interest money were available to finance interested parties.

10. The only real progress in providing governmental (federal or state) assistance to the animal production work of the herder consists of BIA efforts to improve herder facilities (cabins, corrals, etc.,) and to encourage annual round-ups, handling and marketing and to informally assist in small marketing arrangements. This work is at once both substantial progress (when viewed over a perspective of years of neglect) and meager in terms of application to today's need.

11. An expansion of production base to make possible sustained yield marketing depends almost entirely on private decisions of the herders themselves. A look at this situation is basic to risk capital decisions for new slaughter facilities. Of the total Seward Peninsular reindeer population (approximately 30,000) almost half (12,000 to 14,000) are owned by Mr. Sigfried Aukongak. The Aukongak unit permit is for 7,500 animals. The difference between 7,500 animals and approximately 14,000 animals--about 6,500--represents two different things. If slaughtered, it means substantial cash income to the Aukongaks and their associates the Johnsons and the immediate animal base for an improved slaughter facility proposed for Golovin. This number also represents the most practical source of animals for the start of new herds necessary if the production base is to be stabilized near 30,000 head and eventually increased. I have already said that some herds are fair balanced economic units, others are not, but to illustrate the point of what might be theoretically available for sustained yield slaughter, consider the following arithmetic.

<u>Herd Base</u>	<u>Potential Annual Per Cent That Could Be Slaughtered</u>	<u>Average Weight</u>	<u>Total Pounds Available For Marketing</u>
30,000 (Seward Pen.)	25% (7,500 head)	150	1,125,000
23,500 (Seward Pen. less Aukongak "surplus")	25% (5,875 head)	150	881,250

The significance of this one private decision on total theoretical production of the Seward Peninsula herds is obvious. But it becomes even more apparent for consideration of slaughter facility development either at Nome or at Golovin--the two places where active interest is now expressed. For such locations the production base would not include the animals of the Goodhope, Karmun and Moto, Clark, Hadley and Gray herds aggregating at present approximately 10,200 head. Therefore, if the Aukongak decision is to slaughter the 6,500 head (above permit level),

the production base for either a Golovin or Nome facility is more realistically only 13,300 animals, and we see the following theoretical arithmetic for sustained production:

$$13,300 \times .25\% \times 150 \text{ lbs} = 498,750 \text{ lbs.} \\ (3,325)$$

And even this figure is too high due to: personal differences among the herders on the south side of the Peninsula and some small herds not being up to balanced production units anyway thus not contributing fully to the theoretical 25% harvest.

B. CONTEMPLATED PROGRAM ACTIONS

Program actions affecting production contemplated by the herders and BLM/BIA are few as far as I can ascertain and may be summarized as follows:

1. On September 27, 1967, in a formally correct but perhaps ill-advised letter, the Fairbanks District Manager for the BLM wrote Mr. Aukongak that he would be held in trespass by the U. S. Government for all reindeer in excess of 7,500 head, the number cited in his permit of January 1, 1962. He also insisted that Mr. Aukongak make efforts to get his reindeer back on his own range.

The intention of this letter was, I presume, well meaning, but its effect has been to further the feelings of fear of government held by Mr. Aukongak and the other herders.

Another effect has been to precipitate slaughter of animals which should perhaps be bought on the hoof in order to provide stock for other herd permits.

At the present time the BLM trespass action is believed to be dropped.

2. BLM has tentatively designated six new grazing units on the Peninsula. As far as I know permittees have not been chosen.

3. Mr. Aukongak and the Herders Association might agree to and advocate the stocking of these new grazing units from the Aukongak herd under private capital arrangements.

4. BLM has tentative plans to hire a range specialist.

5. BIA program plans for the construction of range facilities continues at about the same level.

C. CONCLUSIONS

The production situation forces me to these conclusions on this facet of the reindeer situation:

1. Despite all the furor over slaughtering and marketing as the key aspects for improving the reindeer industry, I would observe that you cannot slaughter or market what you don't have. Therefore, of equal parallel importance to the development of adequate slaughter facilities is the development of a production base capable of supporting such a facility.

2. Programs for the construction of new range facilities must be increased if better husbandry practices are to come along.

3. It seems to me high time that the individuals and interest groups advocating various government plans for the production of reindeer by Native herders stop talking and do some listening to the herders themselves and see what they want to do!

III. SLAUGHTERING, PROCESSING AND MARKETING

A. CURRENT STATUS

1. Slaughtering practices on the Seward Peninsula consist of range slaughter and butchering for the most part. One operating slaughter facility exists at Solomon (T. Johnson's). Cold storage facilities exist at Kotzebue (BIA) and Nome and Golovin. Some old unused storage buildings of the reindeer companies and the Lomen's still stand at several places around the Peninsula. Allegedly, neither the Johnson slaughter facility at Solomon nor the BIA Nunivak facility are up to current standards.

2. Despite the fact that there may not be enough animals available on a sustained basis to provide support for a private economically viable slaughter facility, more meat and animal by-products are now available for slaughter than are being marketed or are likely to be marketed in the near future. This appears to offer quite a dilemma, but these facts are not unreconcilable. What they do present is common sense limits on decisions such as:

a. The initial size and capital expenditure for a new slaughter facility--whether at Nome or Golovin--must be small.

b. The operator must have other sources of financial support for a year-round livelihood.

c. Local markets, not foreign ones, are the most practical.

d. Some effort to tie in the north side production, perhaps with a smaller subsidiary facility at Deering, should be made in order to enhance the economy of the slaughter operation and try and avoid damaging competition for local markets among the herders themselves.

3. Tommy and Myrtle Johnson, the only private interest in the slaughtering-marketing field, are controversial among Natives and whites alike. There is mixed opinion about them--some trust, like and admire them; others the opposite. Despite these mixed feelings, however, there is one measure which they alone possess--they are the only private people who have risked private capital to try and become the middleman so absolutely necessary for the growth of the industry.

4. The new federal meat inspection laws can provide an opportunity for future industry development rather than, as commonly viewed, another roadblock. Here is a case where USDA regulations for pure food can be developed to fit reindeer production and behavior patterns consistent with legal objectives. USDA has an obligation to perform here. A proper role for the Federal Field Committee is to see that they do.

5. There are two potential locations for a static slaughter facility on the south side of the Seward Peninsula. These are at Golovin, in association with an existing freezer-storage facility, and at Nome. Each location has its advocates.

The Johnson-Aukongak group advocate Golovin. The City of Nome's city manager, Mr. Glotfelty, and Mr. Davis, President of the Herders Association, advocate a Nome location. It is unfortunate that this split exists for several reasons, not the least being the potential economic vitality of a facility which will depend on a sustained adequate source of meat.

6. The Herders Association is fearful of the entry on the reindeer marketing scene of a single private entrepreneur, particularly one with government blessing. Their 1930 experiences with the Lomens and government are still in mind. As an alternative, they are thinking in terms of an Association-sponsored corporation or cooperative with a selected manager. In this connection, however, I think we must realize that those seeking this approach are asking the herders to be producers, processors, and marketers. How many successful livestock operations are there in the world today worked this way? Practically none.

7. On the matter of location of a slaughter facility, it should be noted that herders on the north half of the Seward Peninsula have agreed only to bring herds as far as Salmon Lake to the south or to a facility

around Deering. There will be opposition to utilization by the northern herds of a Nome slaughtering facility unless there is a tie-in developed with an operation at Deering.

8. Several groups and individuals are interested in and some are proceeding independently on the development of prototype reindeer slaughtering facilities. These are:

State Department of Natural Resources, Division of
Agriculture

State Department of Economic Development, Industrial
Development Division

University of Alaska Agricultural Experiment Station

Mr. and Mrs. T. Johnson

Mr. Ed Glotfelty, City Manager of Nome

Interest is evident in the design of both static and mobile facilities, however, no one so far as I know has settled upon basic design criteria which answer in addition to federal meat inspection need a more basic question of design criteria for animal handling consistent with the physiological behavior of reindeer.

9. In all of the planning and talk most people are thinking like white men and to my mind there is absolutely no assurance that the development of this small industry will take place like white men think or want. Several things are important in this regard:

a. Marketing practices are a combination of barter and cash. Reindeer are "cash". All the herders use barter practices to one degree or another--and there is nothing wrong with this since there is no real cash approach available to supplant barter practices. The minute a livestock buyer offers cash for reindeer on the hoof, then change will take place naturally. But realistically is it close to this--would the Johnsons buy this way--or would a Herders Association cooperative work this way?

b. The advent of federal meat inspection procedures and regulations will only effect international and out-of-state marketing ventures--and Alaska city markets. These regulations are not going to change some herder practices of selling a few range-slaughtered carcasses here or there among the Native people.

c. Despite the fact that a herd production base of 30,000 animals theoretically could provide a million pounds of meat to a single slaughter facility, the herders are unlikely to agree on any one place for all the Seward Peninsula; and even if one satisfactory location were to be agreed upon, there is no assurance that they all will sell there each year--possibly preferring instead continued small local arrangements. Remember it is their right as private citizens to sell or not sell as they see fit.

10. There can be no doubt that the Nunivak operation as presently run constitutes government competition with the Seward Peninsula herders for existing and potential markets. The rationale that this operation supports the Nunivak Native economy through its approach cannot be used to justify government support for the benefit of one group and the detriment of another--not if our democratic philosophies and cliches of equal opportunity mean anything. By this I do not imply that the Nunivak operation should be abandoned, rather that the approach to management here should be equated with that of the Seward Peninsula.

B. CONTEMPLATED PROGRAM ACTIONS

Contemplated program actions affecting slaughtering, processing, and marketing are going to be governed (whether government people know it or not) by the ideas of the herders themselves and by some common economic horse sense. In any event, these are the things some are discussing:

1. An economic feasibility study of the industry--BIA's Morken favors this; State Natural Resources Commissioner Kelly reportedly mentioned this and discussed same with EDA in Washington.

2. A feasibility study of a slaughter facility on the Seward Peninsula--legal requirements, site locations, engineering design--University of Alaska Agricultural Experiment Station; State Department of Natural Resources.

3. Design of a reindeer slaughter facility acknowledging new meat inspection aspects and reindeer behavior patterns (mobile or static)

- State Department of Economic Development
- City of Nome, Mr. Glotfelty
- Tommy and Myrtle Johnson
- BIA field personnel
- Northwestern Alaska Reindeer Herders Association

C. CONCLUSIONS

1. Some focus to all the above interest is beginning to emerge through consideration of the Golovin-Aukongak-Johnson proposition versus the City of Nome-Reindeer Herders Association proposal simply because money and private interest will finally "talk" the loudest. SBA or EDA funds appear to be the only available sources of slaughter facility capital. State agencies say they haven't the money and BIA and BLM say they haven't any money.

2. The development of an initial slaughter facility on the south side of the Peninsula makes sense. But it must be small and it must be practical. Once it gets going a second facility at Deering together with lengthening of an existing airstrip should be the next step. The decision as to who develops what and where, however, is primarily the herders.

3. The logical market outlet for reindeer is a local one--throughout the Seward Peninsula, the Yukon-Kuskokwin Delta, and to the north slope in bad caribou years. This is logical not only economically but of basic importance for nutritional reasons involving the health of Native peoples in these areas. There simply aren't enough animals for bigger approaches. Additionally, sales to Fairbanks, Anchorage, etc., are desirable. Costs of reindeer meat, however, must be lowered if a market is to be securely developed; a slaughter facility is to pay, and the herders are to make an increased sustained annual income. Although I understand the herders reluctance to lower their prices under the present situation, it should be explained to them how the advent of a slaughter facility (or facilities) will eventually bring changes whereby for the same unit of work they can sell more animals at less individual cost and end up making more money. Convincing them of this, however, is going to take awhile.

IV. ATTITUDES AND INTEREST GROUPS

A. Currently there is in existence a BIA-BLM-State (Department of Natural Resources) Memorandum of Agreement on objectives and responsibilities involved with the development of a reindeer industry. Three points on this agreement:

1. Although federal-state government agree as to their responsibilities and also assign some to the Northwestern Alaska Reindeer Herders Association, the Natives themselves (citizen owners of the animals) are not signatories to this agreement. Therefore, although it may be helpful to have a government agreement, it offers no solutions of and by itself because the essential decisions belong with the Natives and not the government.

2. Before my December 1967 trip to the Seward Peninsula I contacted each agency of government and asked each, "Pursuant to this agreement, what have you done or are you doing?" Each replied, "Nothing, but I think 'so-and-so' is doing something."

3. The State Department of Economic Development, not cited in the agreement, is also interested in aspects of the program.

4. From comments made by both state and federal interests, it is obvious that disagreement exists as to how to proceed to impliment this agreement. Both state and federal interests have asked the Federal Field Committee to sit in with them to assist in achieving a desirable focus to cooperative efforts.

B. As I mentioned at the beginning, there is extant within the herders themselves and other Natives who had been or who would like to be herders considerable dissatisfaction, bitterness and even fear and hatred of government. Some of this is historic due to handling of the 1930's problems, some is current. For example, herders have expressed their concern to me that government takes over their Association meetings. From what I can learn independently, this is true and should be stopped.

C. All of the herders do not want change to a cash economy with equal eagerness--and there appears to be a split between the "old ways" and the "new ways" to me. Government does not have the right to force either.

D. There is wide interest expressed favorably by BIA, BLM, the Native leaders, and state agencies for the development of a University of Alaska Reindeer Experiment Station on the Seward Peninsula. Important to the decisions involved here is a precise delineation of the University's role and an understanding by University authorities of Native-government relationships, historic and current.

E. The City of Nome, through Mr. Glotfelty, City Manager, represents another interest group that is the business interest of Nome and their ideas for Nome's industrial growth. The alignment of the City of Nome with the Herders Association President Davis on a Nome location for a slaughter facility was previously mentioned.

V. OBSERVATIONS FOR FUTURE GROWTH

A. There is too much government in diverse agencies concerned with reindeer management. The herder is confused and no wonder. Efforts to develop a partnership or closer relationship between the totality of government and the herders seem of high priority to me. If we are to enter into this situation, it should be with this objective in mind.

B. Mechanisms and devices must be found for youth to enter the reindeer business if it is to expand and grow.

C. Marketing objectives need to be realistic in terms of what is practical and possible to attain now in order to form a sound foundation for future growth. Direction should be toward the development of local Native markets with initial expansion possible from school and hospital use once federal inspection is achieved.

D. The slaughter facility establishment problem including the pre-slaughter meat inspection aspect is one best attacked by functional design of a facility which meets criteria of:

1. Pure food handling;
2. Practicality;
3. Reindeer animal behavior;
4. Modest size; and
5. Low cost.

This design task need not be so formidable, and I see no real problem in seeing to it that USDA writes sensible regulations enforcing the intent of the Federal Meat Inspection Act at the same time it recognizes the practicalities of the reindeer situation. The Federal Field Committee is in a position to exert a good influence on this aspect of the problem.