A prominent place in Alaska’s environmental and political annals belongs to the Kenai Peninsula, a 9,000-square-mile region of surpassing beauty. Few other locales in the North experienced such contention over land use or such rapacious treatment of wildlife. At statehood the contest continued, leaving a partially protected ecosystem facing worrisome prospects for survival.

Bordered on the south and east by glacier-trimmed peaks, the center and west of the Kenai features lakes, muskeg, and low wooded hills. Dominant tree species are black and white spruce and, in burned-over areas, aspen, birch, cottonwood, and willows. Moose, black and brown bears, caribou, Dall sheep, mountain goats, wolves, coyotes, wolverines, lynx, beavers, red foxes, and smaller mammals are sustained by the varied topography. About ten species of game fish are found in the lakes and streams.\(^1\) Whales, porpoises, sea lions, seals, and sea otters can be sighted offshore. Nearly half the land mass is reserved in the Kenai National Wildlife Refuge and Kenai Fjords National Park.

Endowed by fish and wildlife, agricultural potential, and timber and mineral wealth and accessible to the ocean, the Kenai Peninsula bred conflict over
natural resources. Captain James Cook bade his men to survey the shores of his namesake inlet in 1778. Russians hunted sea otters along its coasts and erected one of their first settlements, Fort Alexandrovsk at the southwest tip of the peninsula, in 1786. Others followed at the Kasilof and Kenai rivers in 1787 and 1791 and at Resurrection Bay and Hinchinbrook Island in 1793. Russians
acquired land animal skins from Tanaina Indians on the peninsula. After 1867 the Alaska Commercial Company operated several fur trading stations on and near the peninsula. Trapping ranked as an important industry during the territorial period. Salmon canneries operated at Homer, Seward, Seldovia, and other locations. Settlers engaged in commercial gardening and dairying, and tourist ships visited the port of Seward. Compared with other parts of Alaska the Kenai possessed a more diverse economy and ecosystem.

CONFLICT OVER MINERALS

Minerals decisively affected events on the peninsula. Chugach Eskimos and Athabaskan Indians mined and fashioned implements from copper. Smelting iron from ore mined in the Kenai Mountains, Alexander Baranof’s men built Alaska’s first sailing vessel, the Phoenix, at Resurrection Bay in 1794. Russians conducted their only significant coal mining venture at English Bay where an open pit mine operated between 1855 and 1860. They burned the coal in their steamships and in shipyards at Sitka. They lost money in 1857 on their sole attempt to sell coal in California. Americans briefly operated mines at Kachemak Bay beginning in 1889. Like the Russians, they could not find a viable coal market in San Francisco. Coal mining took place at several Kenai Peninsula locations during the territorial period; the coal fired steamships and heated canneries and homes.

Gold added color to the Kenai story. Russians explored the peninsula, finding gold on the Kenai River in 1834 but not exploiting it. American prospectors discovered economically valuable deposits under beaches at Turnagain Arm about 1890 and at Bear and Palmer creeks in 1894. A resultant gold rush in 1896 immediately spawned boomtowns named Hope and Sunrise, whose heyday ended abruptly when word of the Klondike strike spread in 1897. Confidence man and criminal gang leader Jefferson Randolph “Soapy” Smith came to assess the prospects of the Kenai rush but decided not to stay. He went to Skagway in 1897 to win infamy as one of Alaska’s most notorious criminals.

Prospecting activity in Cook Inlet gave rise to a supply route across the mountains from Resurrection Bay, where the town of Seward sprang up. Andy Simons, Alaska’s most famous and first licensed guide, got his start freighting mail by dogsled over Moose Pass to the goldfields. The Klondike Gold Rush magnified national interest in Alaska and spurred efforts to build a railroad into the interior. In their optimistic projections, economic boosters envisioned large-scale gold and other metal production, and exploitation of the Matanuska Valley coal deposits for locomotive fuel and agricultural and industrial development. Congress passed an enabling act in 1898, and investors built a railway from Seward 47 miles north to Moose Pass in 1903–1906.
The Ballinger-Pinchot Affair

Alaska coal and railroad politics touched off one of North America’s most celebrated conservation fights. The Morgan-Guggenheim Syndicate (or Alaska Syndicate), owner of Kennecott Copper as well as a controlling interest in Alaska’s main steamship line and some of its fisheries, also owned a mine up the Copper River at Kennicott. Needing coal for its projected Copper River and Northwestern Railroad from Cordova to Chitina and for a planned extension into the Tanana Valley, it hoped to secure coal in Alaska. Coalfields of serviceable quality existed near the Bering River, but the syndicate had no direct legal access to them. A 1904 coal leasing law permitted individuals to file claims on 160-acre plots or to combine claims for joint ownership of up to 640 acres. The law forbade conspiracy to combine claims in advance of their “location,” the first stage in processing a claim on federal land, but permitted it after “entry,” a later stage.9

Theodore Roosevelt disliked both waste and monopoly control of natural resources. He sought coordinated and rational resource use through planning and management by the federal government to achieve sustained-yield production for the advancement of the nation. Resource giveaways and theft, the fruits of compliant laws and weak enforcement, did not fit into his notion of efficient scientific management. Congress responded to the appeals of interest groups seeking access to public lands and only partially and reluctantly accommodated the president. Although he considered conservation policy his most meaningful domestic achievement, Roosevelt had to conduct most of it through executive action.10 To bring coal leasing into line with market values and prevent it from becoming monopolized, he withdrew nearly all Alaska coal lands from commercial activity in 1906.

One prospector, Seattle businessman Clarence Cunningham, set out to investigate the Bering River coalfields in 1902. He eventually staked out 33 contiguous 160-acre claims on behalf of a group of Seattle-area acquaintances. Whereas observers believed that nearly all of the approximately 900 Alaska coal claims had been filed by stand-ins for companies in contradiction to law, the Cunningham group had no such record. A General Land Office agent investigating the group’s claims approved their elevation to entry status. While finalizing the claims in 1907, the group met Morgan-Guggenheim representatives and worked out an agreement to split profits and guarantee the syndicate an unlimited coal supply for 25 years. Morgan-Guggenheim would thereby gain dominant control over the Bering coalfields. A member of the Cunningham group, former Washington governor Miles Moore, went to see Land Office chief Richard Ballinger, who ordered the claims advanced to “clearlisting,” a near-final stage of government approval.11
Ballinger, a former Seattle mayor known for integrity and devotion to public service, had been selected to reform the scandal-ridden General Land Office. This he proceeded to do before resigning to resume his law practice in March 1908. Louis Glavis, a zealous young official in charge of the Seattle branch of the Land Office, suspected that his chief had improperly favored the Cunningham group. He obtained a copy of Cunningham’s journal indicating that the latter’s group had agreed prior to the crucial date of location to combine and sell their claims. The journal demonstrated violation of the law but no collusion with the syndicate. Recently resigned and unaware of the journal discovery, Ballinger met Cunningham group members and assisted them in processing the claims.

When William Howard Taft assumed the presidency in 1909, he appointed Ballinger secretary of the interior. Prominent men interested in forwarding the Cunningham claims visited Ballinger and requested action. Disdainful of that form of influence and uncertain of the validity of the claims, Ballinger passed the men off to his assistants. Glavis met one of the assistants, told his story of the journal, and asked for an investigation of the claimants. Ballinger ordered the investigation suspended pending an attorney general’s opinion. As soon as Glavis and another agent had drafted a letter of evidence for the attorney general as directed, the Interior Department decided to rely instead on the opinion of its own legal department. Its ensuing opinion upheld the coal claimants. Glavis then took it upon himself to send the evidence to the attorney general, who overruled the Interior Department’s decision. Convinced of undue favoritism in Interior, Glavis went to former secretary of the interior James Garfield and his fellow conservationist and chief forester Gifford Pinchot. Adding other conservation issues, Pinchot wrote a letter of complaint to Taft. After investigating the matter, Taft upheld Ballinger.

Pinchot had also arranged for Glavis to personally present his case to President Taft. The meeting took place in late summer 1909. Taft took the position that Ballinger had not known the details of the Alaska coal claims in question; therefore Glavis had been inappropriately aggressive in questioning Ballinger’s actions. Ballinger received Taft’s approval to dismiss Glavis, and, shortly thereafter, Glavis lost his job. Now more certain than ever of wrongdoing and a cover-up, Glavis wrote a lengthy and hard-hitting article for the muckraking magazine Collier’s Weekly. He insisted that Ballinger had indeed been aware of the details of the Cunningham leases because he had been fully informed by Glavis and another officer. Moreover, by representing the leaseholders after leaving office, Ballinger appeared to be violating a conflict-of-interest law that prohibited such action for two years. Glavis detailed a list of instances in which Ballinger or others in the Interior Department acted as if determined to validate the coal leases. Believing the department would soon transfer 100,000 acres
of valuable coal lands to private parties who in at least some cases had made fraudulent claims, Glavis asserted that he had no choice but to bring the case before the public.\footnote{15}

On his last day in office, Roosevelt had ordered an addition to the Chugach National Forest that took in four of the Cunningham claim sites, incidentally creating a basis for Forest Service involvement. Chief Forester Pinchot, the principal architect of Roosevelt’s utilitarian conservation policy, hoped to keep that policy alive under the new Taft administration. His bureaucratic rival Ballinger had now been appointed secretary of the interior. Ballinger and Taft, while anti-monopoly Progressives, espoused a form of conservation emphasizing market-value sale of resources to private interests rather than ownership and leasing by the federal government. The new policy, the loss of Roosevelt’s direct involvement, and the upsurge of special interest activity threatened Pinchot’s conservation principles. In the Alaska coal claims case he found a means of reviving his plan: coupling an attack on his opponents in government to an appeal to the public’s anti-monopoly sentiments. He proceeded to nurture the impression that Ballinger personified the influence of the Morgan-Guggenheim Syndicate in government.\footnote{16}

Pinchot launched a public attack on Ballinger’s policies, and the press picked up Glavis’s story of the Alaska coal claims. Ballinger, believing in the integrity of his position and backed by Taft, proved no match for the combative Pinchot. Taft lost faith in Pinchot and fired him, adding fuel to the flames.\footnote{17} A congressional investigation of extraordinary length—45 sessions—ensued between January and March 1910. Glavis attorney Louis Brandeis proved that the Taft document exonerating Ballinger had been backdated, a severe embarrassment to Taft. In a partisan vote the committee upheld Ballinger, but Glavis and Pinchot had won in the eyes of the public.\footnote{18} Soon after the sick and weary Ballinger resigned in 1911, the Land Office cancelled the Cunningham claims. The coal deposits turned out to be far less valuable than imagined by participants on either side of the debate.

The Alaska scandal left lasting marks on American politics. Magazines and newspapers painted it as a triumph of the public interest in affirming Rooseveltian conservation and rejecting Taft’s approach. Roosevelt hoped to revive his policy and his presidency through the Bull Moose Party. He had intended the party name to symbolize his brand of conservation in Alaska, suggesting that Taft favored monopoly capitalists. His campaign split the Republicans and ensured the victory of Woodrow Wilson. Louis Brandeis won fame that carried him to the Supreme Court.\footnote{19}

In Alaska, most magazine editors and business leaders assessed Pinchot’s brand of conservation as a barrier to economic progress. They believed Ballinger was sincerely interested in the welfare of Alaska, and Clarence Cunningham
epitomized the individual entrepreneur frustrated by federal regulations. Some Alaskans adopted Pinchot’s argument, portraying J.P. Morgan and the Guggenheims as a threat to Alaskan autonomy and individual enterprise.\textsuperscript{20} They linked Taft to the syndicate, suggesting that his proposal for governance of Alaska by an appointed commission amounted to giving the syndicate access to Alaska coal. Taft relented in 1911 and signed a bill creating the Alaska territorial government in 1912.\textsuperscript{21}

Alaska Railroads

Notwithstanding the post-1902 gold rush to Fairbanks and some successful agricultural activity in the Matanuska Valley, the planned Seward-Fairbanks railway went bankrupt after being extended to the 72-mile point on Turnagain Arm in 1910. Several factors contributed to the railway’s demise: mismanagement, tight investment money, Roosevelt’s coal withdrawal, and resistance by the Morgan-Guggenheim Syndicate to a route that might rival their Copper River line.
Believers in Alaskan development redoubled their efforts for a government-financed route to the interior. Taft, a sympathizer, asked Congress in 1912 to authorize an Alaska railroad, something the federal government had not done for other territories or states. A commission sent to the territory carried out a hasty survey and recommended in January 1913 that two routes be constructed to the interior: (1) extension of the Copper River route from Chitina to Fairbanks and a spur to the Bering coalfields, and (2) continuation of the Seward line across the Alaska Range to the Innoko-Iditarod gold mining district and a spur extending to the Matanuska coalfields. President Woodrow Wilson took office in March and shared the enthusiasm for a government-owned-and-operated railroad to catalyze Alaskan economic growth. Pushing aside skeptical questions about economical viability, both houses of Congress voted overwhelmingly in 1914 to give Wilson power to build a railroad from a port site to the interior and to use equipment from the Panama Canal project. Alaska delegate James Wickersham had struck a responsive chord in his call to “do something for Alaska” and in his argument that government involvement would end the syndicate’s monopoly plans. Some Alaska boosters promulgated the thesis that Matanuska coal would benefit the Pacific naval fleet, a claim rendered dubious by the shift to oil, among other conditions.22

Alaskan boosters wanted both of the railroads and full access to the coal lands. Coal-fueled railroads would open up the interior to mining of gold, copper, and other metals, the presumed key to Alaska’s economic progress. The coal would also heat homes and other enterprises, and the railroads would connect to agricultural lands. Boosters interpreted the federal reservation of coal lands as an unconscionable denial of their rights. They received part of what they wished for in October 1914 when Congress made available for leasing nearly all Alaska coal lands. To prevent monopolization, the law limited leases to 2,560 acres. Coal deposits could be exploited but not owned by private parties, and modest per-acre and per-ton fees would be due the federal government, provisions the boosters considered unfair.23

A study team fielded by Wilson recommended a single railroad route, from Seward to Fairbanks. They probably sensed the political unwisdom of choosing the Copper River option that would link the administration to the syndicate. Moreover, the westerly route could make connections to Matanuska coal and agriculture, and Ship Creek (later Anchorage) afforded a good main construction site. Wilson rendered his decision in April 1915 for a Seward to Fairbanks route. He rejected or ignored Portage Bay as a port site. It would have shortened the railroad by 64 miles, and a spur eventually ran to it.

Soon after completion of the railroad President Warren Harding rode the train from Seward, making speeches along the way. He drove the golden spike at North Nenana on July 15, 1923. Like Taft and Wilson, he believed in an
active federal role in Alaska development and in resistance to monopoly control. Harding articulated these themes in his last major speech at Seattle on the return trip from Alaska. Dead of a heart attack in San Francisco on August 2, he did not live to see the flowering of the Teapot Dome scandal or its echo on the Kenai Peninsula three decades later.24

Notwithstanding the booster rhetoric of Wickersham and others, the Alaska Railroad failed to either pay for itself or create a rush of economic activity in the interior. It cost $56 million to build, far more than the $35 million estimated. By 1930 it had lost $8 million in operation. Senate investigators readily identified the shortcomings. Salmon fishing, the main industry, occurred along the coast and did not need the railroad. Neither did the fur industry nor, for the most part, gold mining. Not enough agricultural production existed to make use of the railroad; indeed, food from the States came in by railroad and undercut local prices, reducing the number of commercial farms. Settler population did not significantly increase along the route.25 Only World War II and the oil era would bring about economic development in the interior.

GAME MAMMALS

Besieged by fortune seekers, limited in size, and in geographical terms relatively separate from the interior mainland, the Kenai Peninsula incurred heavy ecological damage. Forest fires proliferated, converting spruce stands to deciduous forest. Agricultural scientist Hugh Bennett’s 1916 report stated that “most of the forest fires are started by homesteaders, timbermen, railroad constructors, prospectors, and hunters, generally through carelessness and without thought of the seriousness of the destruction done.”26 Fires generated side effects of increased moose browse and removal of the lichens preferred by caribou. Commercial hunters slaughtered both moose and caribou for their antlers. Meanwhile, the mammals’ natural predator, the wolf, neared eradication by trappers setting out poison. Biologist Wilfred Osgood recorded in 1900 that “wolves are considered common in the Cook Inlet region. Mr. [George] Coon, of Hope told me that during the winter of 1899 he secured fourteen with poison. Among these were six in the black phase.”27 By 1915 trappers had exhausted populations of small furbearers on the peninsula and exterminated the wolves. Few commentators appeared concerned about the wolf, regarded as a competitor for fur and game.

Mammals on the Kenai, once depleted, took long to recover. The human population had relatively easy access to them, and the restricted and ruggedly mountainous connection to the interior inhibited migration. Caribou, described in an 1890 report as abundant, began to disappear soon after the turn of the century. Andrew Stone reported in 1900 that they “are already scarce on
the Kenai Peninsula, and will doubtless soon be exterminated, the region being greatly frequented by visiting sportsmen, while native hunters kill moose and caribou for their heads, disposing of them at good prices for shipment to San Francisco.28 Claude Cane noticed the scarcity of caribou in 1902 and mentioned hearing of several mass killings, one by a sport hunter who gunned down all thirteen of a band of caribou he encountered.29 Regulations based on the 1902 game law banned the hunting of caribou after 1904.30 Forest fires removed lichens, almost certainly hastening the demise of the Kenai caribou. A last officially confirmed sighting, of a lone bull south of Skilak Lake, entered the records in 1910.31 No caribou and virtually no wolves existed on the peninsula for more than half a century.

Meat hunting also changed natural balances on the Kenai. Sport hunter E. Marshall Scull described the pattern of moose exploitation:

Driven out of the southwestern end of the Peninsula by hunters issuing from Homer and Seldovia to supply the canneries there; forced to retreat from Kenai and Hope on the west and north, the moose had withdrawn near to the mountains. . . . Many hundreds were killed yearly by the Indians, the guides and the professional meat hunters, and the continued persecution had herded the remainder together into a comparatively small piece of country [near Skilak and Tustumena lakes].32
Special Game Warden L.F. Shaw related in 1915 that Hope and Sunrise at the north end of the peninsula depended for a meat supply almost wholly on the moose and mountain sheep, and there was a wanton and wasteful killing of these valuable food animals. Indeed, some of the old-timers made it their boast that they killed a moose merely for what they considered the choice part—the tongue—leaving the carcass to go to waste. The beginning of construction on the Alaska Central Railway in 1903, and continuing on until 1906, on which hundreds of men were employed during the greater part of the time, raised havoc with the moose and mountain sheep. Hunters were engaged at all times to keep the various camps along the line of work supplied with moose and sheep meat, it being cheaper than domestic meats shipped from the States. Entrepreneurs also shipped meat to the mining towns of Valdez and Cordova.

The 1908 Alaska game law curbed some of the practice, as did a 1912 regulation prohibiting the sale of moosemeat outside the Kenai Peninsula and a 1916 regulation banning sale on the peninsula. Illegal killing and sales persisted during the 1915–1923 construction of the Alaska Railroad. Mountain goats on the Kenai suffered relatively little because of their steep terrain and the fact that people did not prefer their meat. Sheep, estimated at 2,000 in 1916, had been severely diminished, particularly in the northern sector closest to the railroad. Officials thought moose numbered about 5,000. Sport hunters rated them the world’s largest, but relatively few hunters journeyed to Alaska prior to World War II.

Market hunting posed a threat to moose in the late 1910s and early 1920s. A twenty-year Kenai resident charged that, after the deletion of the warden post at Kenai, our Anchorage warden is a clerk in a haberdashery, and he has not been off the railroad since he was appointed. Our restaurants are serving moose and other wild game meat, both in and out of season. One can find moosemeat at almost all times at the road houses, tie camps, and restaurants in and around Anchorage, Seward, and Seldovia. It is the hind quarters of moose which have been brought in by the market hunters, by natives and whites, and sold for whatever they will bring. In most instances the fore quarters have been left in the woods.

Kenai has a population of some 300 people, whites and natives, and that many more dogs. They all live on moosemeat. The government teacher there told me that the people there kill about 450 moose every year of which 90 percent are cows.

Bulls had remained inland on higher ground, whereas cows moved to lower elevations to bear and raise their calves. The resident estimated that hunting along the Alaska Railroad had driven moose 25 miles back, restricting their
range. Moreover, rabbits had caused starvation among moose calves by eating low-growing vegetation during a hard winter. The resident called for funding to cut birch trees to feed moose in winter and to better enforce the game laws. Such complaints aided passage of the 1925 Game Law, which effectively proscribed commercial meat hunting and alleviated pressure on ungulates on the Kenai. However, it worked a disproportionate hardship on Natives, who did most of the hunting.

Moose continued to be seen as the peninsula’s most important wildlife species. Given the advantages of abundant feed and the absence of wolves, the moose increased until the mid-1920s. During rutting season they gathered in large herds, and a sport hunter could look over several hundred bulls within a few days to choose a trophy. The moose herd receded slowly in the 1930s and sharply in the early 1940s. Leading causes appeared to be predation by black bears and scarcity of browse as the forests recovered from the fires of the Gold Rush era. A 290,000-acre fire in 1947 helped moose recover.

Concern over excessive taking of Kenai mammals gave rise to proposals for a wildlife preserve. William Langille, the first Alaska director for the Forest Service, so recommended in 1903. The Alaska Game Commission and the Bureau of Biological Survey made similar requests in 1931 and 1932. Governor George Parks and others disparaged the idea as an impediment to mining and homesteading. Fish and Wildlife Service chief Ira Gabrielson secured a presidential
executive order in 1941 creating a Kenai National Moose Range. Gabrielson later resisted efforts to settle European refugees on the Kenai Moose Range or to use it as a military bombing range. The executive order declared the Kenai Moose Range “for the purpose of protecting the natural breeding and feeding range of the giant Kenai moose on the Kenai Peninsula, Alaska, which in this area presents a unique wildlife feature and an unusual opportunity for the study in its natural environment of the practical management of a big game species.” Characteristic of pre-ecological thinking, it made no mention of wolves to help balance the moose population or of caribou to complete the ecosystem. Such concerns awaited the statehood period. A different Kenai question occupied the attention of conservationists in the 1950s: wildlife versus oil.

THE OIL ERA

Kenai oil made its presence known to visitors on the lands bordering Cook Inlet, where Russians noticed oil seeps by 1853. Oil prospectors staked claims on the west shore in the 1890s and drilled two wells, pumping small quantities of oil in 1902. At Katalla near Cordova southeast of the Kenai, according to
legend, Tom White fell into an oil seep while bear hunting in 1896. He set fire to it and watched it burn for a week, then tried to interest companies in drilling. A British consortium investigated and made Alaska’s first commercially viable strike in 1902. Chilkat Oil Company and others drilled 36 holes, and Chilkat built a small refinery in 1911. The field produced modestly until the refinery burned in 1934, terminating the venture.43

Taft withdrew Alaska oil lands from public access in 1910. After the reopening in 1920, prospectors showed minimal interest in the Kenai until about 1950. Then, little more than a decade after the executive order creating it, the Kenai National Moose Range figured in two of the most profound changes in Alaskan history: the creation of the 49th U.S. state and the domination of Alaska by the oil industry. David Postman, an investigative reporter for the Anchorage Daily News, traced the Kenai oil story from Washington to Anchorage, where a group of local businessmen succeeded in helping an oil company gain a commanding position in Alaskan oil production. In the process, group members enriched themselves and moved Alaska toward statehood.

The Kenai Oil Strike

Oil politics soared to new heights during the Eisenhower years; oil companies heavily financed Ike’s 1952 and 1956 campaigns. His western political operator and 1952 fund-raiser, Charles Stone Jones, presided over Richfield Oil Company. W. Alton “Pete” Jones (unrelated), chief of Cities Service Company, which owned 30 percent of Richfield, succeeded him in 1956. Both Joneses belonged to the group of businessmen who persuaded Eisenhower to run for president as a Republican. Soon after the 1952 election, Pete Jones led three oilmen in building a farm for the Eisenhowers at Gettysburg, supplying horses and cattle, paying its operating expenses, and renovating a nearby building as a home for the president’s son John and his family. Eisenhower counted the Joneses as friends and treated the oil companies as allies throughout his two terms.44 His first Interior secretary, Douglas McKay, demonstrated inordinate devotion to oil company preferences and successfully promoted a law granting ownership of offshore oil to the states, a measure that made the oil more available to the companies.45

In August 1953 Secretary McKay unexpectedly banned all oil exploration and leasing in wildlife refuges pending a study of their effects on wildlife, a conservation concern he had not previously evidenced. Of several companies exploring in the Kenai Moose Range, all except one abandoned it.46 Richfield remained and, in late 1954, filed lease applications for 71,000 acres on the range. Locke Jacobs, leasing agent for fourteen Anchorage businessmen, noticed that some of Richfield’s leases had been topfiled (claimed by a later party) on those held by his
group. Representing the businessmen, Wilbur Wester, manager of the Westward Hotel, visited Richfield headquarters in Los Angeles in January 1955. He proposed that in exchange for the leases Richfield agree to drill a well “somewhere in Alaska” during the next two years. The parties worked out a deal by which Richfield would purchase the leases, drill a well, and pay the group a 5 percent royalty if oil should be produced from the lands. At the same time, Jacobs filed for 52,000 more acres next to the Richfield leases. Later in 1955 Richfield paid the group for all the leases and guaranteed them 5 percent of royalties.47

The Anchorage businessmen comprised an elite segment of the Elks Club informally known to some as the “Spit and Argue Club.” Two of the most prominent men in Alaska belonged to the group: Robert Atwood, editor and publisher of the Anchorage Daily Times, and Elmer Rasmuson, president of the National Bank of Alaska and a brother-in-law whose father had lent Atwood the money to purchase his newspaper. Atwood and Rasmuson recognized oil development as a way to achieve statehood, and they stood to gain financially on the oil deal. As described by Alaska oilman Jack Roderick, “What Atwood, Wester, and other members of the leasing group were trying to accomplish was to gradually convert Anchorage, Alaska into Tulsa, Oklahoma.”48

Bureau of Land Management officials in Anchorage held the power to dispense leases for oil drilling. Two of them, Chester McNally and Virgil Seiser, issued leases to members of the Spit and Argue Club for lands just outside the boundary of the moose range. According to Postman, McNally and Seiser denied access to persons not connected to Richfield Oil Company. The Interior Department launched an internal investigation in the wake of allegations of bribery of McNally and blatant favoritism by Seiser. Fearing another Teapot Dome scandal involving leases in Louisiana as well as Alaska, Interior officials quietly transferred McNally and Seiser and declared that no corruption existed. Officials destroyed the records of the investigation.49

Alaska’s territorial delegate to Congress and later senator E.L. “Bob” Bartlett firmly and consistently defended the oil companies, particularly Richfield. He and Spit and Argue Club representative Wilbur Wester marshaled Alaskan support for the submerged lands oil leasing bill. Bartlett pushed for lifting of the wildlife refuge oil drilling ban and for other measures favoring Richfield and its Anchorage allies.50 The House Committee on Merchant Marine and Fisheries held hearings in 1956 and considered legislation to require congressional consent for all drilling in wildlife refuges. It reported no bills.51 Bartlett and former governor and nonvoting Senate delegate Ernest Gruening had presented forceful testimony in favor of drilling in the moose range. Committee chairman Herbert Bonner (D-NC) stated that he had no objection to Richfield’s going ahead at Swanson River. Fish and Wildlife Service director John Farley and the U.S. Geological Survey also gave Richfield their approval.52
Under fire from critics charging excessive subservience to the oil companies, Secretary McKay had resigned in May 1956. Fred Seaton, a former newsman and personal friend to Atwood of the Anchorage Daily Times and C.W. Snedden of the Fairbanks Daily News-Miner, succeeded McKay. At Snedden’s suggestion Seaton chose Alaskan lawyer Ted Stevens as his congressional lobbyist. Within three months after taking office, Seaton approved 72,000 acres of noncompetitive lease applications by Richfield and the Anchorage businessmen for land in the northern part of the Kenai Moose Range. Richfield proceeded to drill and on July 19, 1957, at Swanson River, made the first commercially significant oil strike in Alaska.

A boom atmosphere followed on the heels of the Richfield discovery. Seaton banned further leasing and drilling pending drafting of regulations to apply to all wildlife refuges. A heated debate ensued, focusing on the Kenai National Moose Range. Fish and Wildlife Service regional director Clarence Rhode quietly disapproved of drilling on the refuge, while higher officials endorsed it. The National Wildlife Federation stood against further drilling, as did Ira Gabrielson’s Wildlife Management Institute. One conservation organization, the Isaac Walton League, favored oil in the moose range. In a 1957 position paper it reversed its stance of a year earlier. The paper described the roads built through wild areas as a positive influence: “Driving over the oil-well road, one cannot help being impressed by the many beautiful lakes and recreation areas which the new road had made accessible to the ordinary sportsman—the man who cannot afford to charter a plane for his fishing or hunting trips.” The moose seemed to “enjoy browsing on the newly felled trees.” Switching to a soon-to-become-familiar political theme, the paper added, “Oil from Alaska could be the savior of Western civilization if the Soviet influence on the other side of the world continues to grow.” Burton Atwood, national secretary of the league and brother of Robert Atwood, authored the paper.53

Shortly after Burton Atwood’s visit in August–September 1957, the Anchorage Chamber of Commerce issued a statement on the drilling issue. It argued that oil wells and roads would likely occupy a total of about 699 acres, or “the permanent use of a land area equal to that now allocated for slightly more than one moose (a pregnant cow, perhaps). There are now 4,000 moose in the 2,000,000 acre range which allows 500 acres for each moose.” The removal of large trees would spur new growth and “relieve the Fish and Wildlife Service of the present practice of sending crews of men onto the forest to cut down trees to provide moose forage. The oil companies would, free of government cost, maintain and improve the moose range.” The statement strongly emphasized the strategic value of a nearby source of fuel for military bases in Alaska. The oil would boost the national economy and “strengthen the position of the United States at a time when the major sources of oil for the Western World are in
jeopardy in the Middle East.” Appendixes to the chamber’s statement included Atwood’s paper and a letter from the Anchorage Sportsmen’s Association, self-described as “the largest group of sportsmen in the Territory of Alaska,” approving of oil drilling in the moose range.54

Protection of the natural integrity of the moose range may have been the first priority of Gabrielson, Rhode, and others, but it stood little chance in the atmosphere of the late 1950s. In 1941, when even utilitarian conservation met opposition from Alaskan economic developers, the moose range had to be justified as a moose supply and hunting ground. The Fish and Wildlife Service managed it largely to maximize moose. The absence of wolves and lack of knowledge of bear-moose predation kept predator control out of the Kenai. As forest fires came and went, the quality of moose browse rose and fell. In times when the trees grew too high, the service cut down deciduous species so moose could feed on the tops. Oil advocates cited this practice, and the notion of moose supply as the main purpose of the refuge, to present their own cutting as a benefit. Even a semiurbanized area might not reduce the moose total. Whereas wildlife advocates opposed roads through the woods to lakes as destruction of wilderness integrity, oil companies depicted them as improved access for the average

person. Adding national security and national economic benefit to their arguments, oil advocates held a winning hand.

The Interior Department conducted a November 1957 hearing on proposed regulations permitting restricted drilling on the Kenai Moose Range. A.W. “Bud” Boddy registered the support of the Alaska Sportsmen’s Council for the plan. All oil company representatives rejected any limits. Ernest Gruening went further, calling for abolition of the range and the Chugach National Forest as well. Gruening wanted to establish himself as the Father of Alaska Statehood. Despite his progressive record as a Democrat and editor of *The Nation*, Gruening turned to the oil companies as allies for the statehood effort and as a source of funding for his future Senate campaign. Moreover, his close friend and a Republican, Robert Atwood, strongly backed Gruening’s political ambitions, and vice versa. Describing himself as a “conservationist,” Gruening loudly advocated drilling in the moose range. He attacked the Interior Department and conservation organizations as obstacles to statehood and quoted Burton Atwood’s paper as evidence that the moose would not be harmed.

Federal officials in late 1957 pondered the question of whether to open the moose range to oil development and, if so, whether leases should be granted on a competitive or on a first-come, first-served basis. Richfield and the Spit and Argue Club had lease applications pending on 100,000 acres; they already held 72,000 acres of approved leases where they had found oil. A rival group of Anchorage businessmen, headed by developer Walter Hickel and First National Bank of Anchorage president Dan Cuddy, challenged first-come leasing, which would give further advantages to Richfield and its allies. Unable to work out a deal, the two groups agreed to prevent an exposé from appearing in the newspapers. Ted Stevens warned Seaton that rumors of favoritism in the leases approved in 1956 could create a scandal. Bob Bishop, an aide to the worried and cautious Seaton, recalled, “We were watching the tracks of the noose, not the moose.” Seaton issued orders in January 1958 to prohibit all oil drilling in wildlife refuges except those in Alaska and left the decision of where to drill up to the Fish and Wildlife Service. Overriding the reluctance of its Alaskan officials, the service recommended that half the moose range be opened. Congress raised the annual Alaska leasing fee from 25 to 50 cents per acre to make it comparable to the Lower 48 but took no action on noncompetitive leasing.

Oil companies began to subscribe to statehood for Alaska in the mid-1950s, anticipating greater influence in the new state than in the federal government. Their Alaskan sympathizers worked against higher state royalties for oil extraction, even though the money could help make the new state economically viable. The companies may have hoped to purchase public lands, a prospect that never materialized. W.C. Arnold, veteran lobbyist for the Seattle-based salmon
canneries and previously the most active adversary of statehood, softened his position. He had purchased oil leases for himself after privately meeting with members of the Spit and Argue Club. He joined in their demands for opening of the moose range. The statehood bill passed in June 1958, and oil politics may have furthered the statehood effort.\textsuperscript{60}

Federal regulations required competitive bids for leases on government land where oil had been found. Nevertheless, the Interior Department commenced noncompetitive leasing in its Anchorage Bureau of Land Management office in August 1958. It honored the 100,000 acres of Richfield–Spit and Argue lease applications filed in 1954 during the leasing ban and accepted them in priority to those of other applicants waiting first in line at the office. Several of the losing applicants took their case to the federal courts. They lost at the District Court level, won at the Appeals level, and lost in the Supreme Court, which ruled that the interior secretary had a right to ignore his own orders.\textsuperscript{61} The Richfield group had won an essential monopoly on the most valuable known oilfield in Alaska.

The Kenai During Statehood

Robert Atwood continued employing his newspaper to stoutly promote industrialization and the oil industry in particular. He and others had contested the right of the interior secretary to close any of the Kenai Moose Range to drilling. They lost in the Court of Appeals in 1956 and chose not to appeal to the Supreme Court. Atwood and the thirteen other Spit and Argue Club members ultimately received about $3 million each from the Kenai leases. Gruening won election to the Senate in 1958 and carried on the demand for nullification of the moose range, succeeding in having it reduced by 270,000 acres in 1964. Oil, gas, logging, and other commercial operations proceeded in the northern half of the remainder.\textsuperscript{62} In 1965 the legislature passed a resolution calling for discontinuation of the moose range as a game reserve, arguing that it should be used for agriculture. It made no mention of oil.\textsuperscript{63} Through the Alaska National Interest Lands Conservation Act, in 1980 the moose range became the 2-million-acre Kenai National Wildlife Refuge, nearly 70 percent designated the Andrew Simons Wilderness Unit. A new Kenai Fjords National Park encompassed 567,000 acres of the central east coast of the peninsula.\textsuperscript{64}

Alaskans also sent to the Senate Bob Bartlett, succeeded after his death in 1968 by Ted Stevens, a consistent and powerful opponent of environmental protection. All three senators maintained ties to the oil companies. Richfield (later Arco) went on to make the historic 1967 find at Prudhoe Bay that changed Alaska more than any other event.
Kenai wildlife realized some gains in spite of the oil extraction in the moose range. Between 1915 and 1960 only a single proven sighting of a wolf occurred on the Kenai. As wolves rebounded from the intensive control efforts of the 1950s, they began to reclaim their territory. The presence of an individual wolf inspired protective measures by the state in 1962. A pair appeared in 1967, and then a large pack arrived in 1968, multiplied, and reestablished the species on the Kenai.65

Successful transplant efforts in the 1960s and 1980s returned small caribou herds to the peninsula. But the once-pristine Moose Range had been altered. Fish and Wildlife Service refuges director J.C. Saylor II described it in an internal memo:

From the air, the area of oil development looks like a site of a major military conflict with cat trails running everywhere, frequent large gravel pits, untreated spoil banks, and sludge pits. . . . Every 80 acres of land has a road on
it and in most instances it is surrounded by roads on all four sides. Pipelines and power lines radiate to all points of the compass. School buses, kids, cats and dogs abound as in any stateside community. The new oil workers have all turned into moose hunters and the moose population has dropped from 4,736 in 1959 to 2,719 in 1961. It is all one hell of a mess.

About 1,500 miles of bulldozed trails could be seen by 1968, and a gas pipeline crossed the range on its way to Anchorage. By 1980, 115 oil and gas wells had been drilled on the Kenai and in adjacent Cook Inlet. Contamination of the earth and groundwater by toxic chemicals constituted a problem for decades after statehood. Trees cut down for seismic lines incubated beetles and may have aggravated an insect explosion, killing thousands of acres of trees. A 1985 Fish and Wildlife Service assessment stated that “populations of bald eagles, trumpeter swans, mountain goats, Dall sheep, caribou, marten, wolves, lynx, brown bear and beaver have been or are now depressed due to human activities.”

Dave Spencer, Kenai Moose Range supervisor during the 1950s, summarized...
the results of oil on the Kenai: “I know there have been a lot of benefits from the oil. But no benefits have accrued to the moose, or the Wildlife Refuge.”

Another wildlife success story emerged from the Kenai episode. It involved the trumpeter swan, the largest bird native to North America and a nearly extinct species. Most trumpeters migrated to Alaska to build their nests and raise their young. Some nested on Kenai ponds, and wildlife managers worried about the effects of oil activity. Oil drilling regulations prohibited disturbance of nesting ponds. Within three decades, thanks to the efforts of environmentalists and the Fish and Wildlife Service, the trumpeter population rebounded dramatically.

In terms of wildlife goals and management objectives, the Kenai experience exemplified the shift from untrammeled exploitation to selected species (moose) protection by government experts for sustainable use by humans. Distance from Washington and aggressive frontier behavior forestalled decisive action to sustain Kenai mammals and habitat until the 1925 Game Law and the inception of the moose range in 1941. The naming of the moose range moved the goal closer to ecosystem preservation, although government officials presented it as a moose preserve (open to hunting) and avoided mention of the desirability of reintroducing wolves and caribou. Appreciation of the ecological role of the wolf finally became policy under the new state in 1962. Reappearance of wolves and reintroduction of caribou did much to restore the peninsula’s natural character.

Maintenance of the moose range in the face of demands for oil drilling proved more difficult by orders of magnitude than had its creation. As in the case of Bering River coal politics, elements of the federal government fought a seesaw battle for prevalence. In the Progressive Era government could claim enough public support to curb the powerful coal interests. The 1950s, by contrast, featured oil companies, a compliant Eisenhower administration, and a conservative public mood. Moreover, Alaskan business interests had acquired the ability to mold the decision-making process. Both government and corporate responsibility for environmental protection bowed to oil profits. The rush for economic spoils swept aside the meager store of science indicating industrial effects on wildlife. Conservation groups participated modestly, helping to save some of the ecological integrity of the Kenai Moose Range.

From statehood into the 21st Century, a host of disruptive influences beset the wildlife refuge and other natural areas of the Kenai Peninsula: oil and gas operations, swelling tourism, and a perpetually rising resident human population. Their multifarious negative impacts on the wild character of the Kenai energized an ongoing debate over the relative values of wilderness and development in Alaska.