

*Creating Alaska Oral History Interview*

**Jay Hammond**

Ter: Today is Thursday, January 22, 1904. No, it just feels like 1904, Jay, but it is 2004 and we're in Anchorage with Jay Hammond and anyway Jay, thanks a lot for talking to us and this will be fun. I guess we just maybe start a little bit with your background. I guess growing up in New York, maybe little of your military service and how you came to Alaska. We can just talk about that, okay.

Ham: I have to tell you I don't hear too well.

Ter: Oh, that's okay, okay. I'll be louder, right. If we just talk about - start with talking a little bit about your early childhood, growing up in New York maybe, and your military service, something about that.

Ham: Okay. Well I was born in Troy, New York, but mercifully left at age five. Troy back then was kind of a grubby garment town, although we didn't live directly in Troy. My dad was a Methodist preacher and he got moved to upstate New York in a little town called Scotia, which not far from Troy, but which is near - Scotia near Schenectady. And I grew up there spent my school years there until high school when my dad was transferred to Au Sable Forks in the Adirondack's up near Lake Placid. And I was there part of the time, but spent my high school years really with a family back in Scotia to finish up during which period my dad moved and mother moved to Vermont. I much prefer people think I came from Vermont than Troy, New York. But Troy has cleaned up its act. It's much less undesirable than it was back then.

Anyhow, I had grown up there but I spent my college years and years in the service, my residency was Vermont. And when I was in 1942 I enlisted in the first preflight program for the Navy, February I think 13<sup>th</sup> in 1942, but I really didn't go into training until the spring. And when I graduated and got my wings I opted to go into the Marine Corps, primarily so I wouldn't have to fly off the carriers. And of course you might guess it; my first assignment was carriers.

And when the war folded up I was in Okinawa and had enough points to come home. They had a point system that would release if you had enough of them accumulated and I went to the squadron doctor. I had a couple of incidents that injured my backbone pretty badly and I used to have to wear a two by four behind my parachute, a piece of two by four to keep my back pulled in some sort of line. And I wanted to see about getting a medical discharge, but he said you have enough points to get home anyhow very shortly. It will take you two months to go through the drill of getting a medical.

And so I decided to wait. Meanwhile they asked for volunteers to fly Course Airs up to the Chinese Nationalists, Chiang Kai-shek, who was then in power. And I thought well I'll never get to see China otherwise so I'll do that and be gone for a couple of weeks. And

six months later I'm still in China. After the - we had very poor timing. We got there just at the time the communists had taken over and they were bombing our administration building and we were theoretically flying dissuasive combat air patrols. We were supposed to make simulated strafing runs on the communists troops that were coming into North China, but we weren't supposed to fire our weapons. We had our machine guns were taped up and so forth. So our strafing runs were conducted about 6,000 feet because they were shooting back.

Anyhow but prior to - I'm getting ahead of myself. Prior to getting in the Marine Corps I went to Penn State in 1940 to ostensibly become a petroleum engineer, but I was having some problems. I had headaches virtually every day for a period of time and my dad took me to oh, my goodness, we went to the Harvard Migraine Clinic. I saw 14 different specialists to see what was wrong. Nobody could figure it out. They gave me hemoglobin shots and asked me about everything under the sun and nothing seemed to help. And when I went to preflight school I was actually happy to leave my engineering studies at Penn State because I was about two times a week I had bone-busting headaches, but every day I had one. There wasn't a day I woke up without them. Not conducive to doing well in engineering studies, thermodynamics and spherical trig and quantitative analysis. I flunked my only course that I ever flunked at school. It happened to be surveying and I got a D in it. And what happened though the circumstances were somewhat mitigating because the reason I flunked another fellow and myself were off goofing off in a coffee shop having coffee and donuts when the professor came along and found we were not on our assigned location doing the survey project. And he gave me a B. Anyhow -

Ter: Let me ask you why did you pick petroleum engineering.

Ham: Why did I pick petroleum engineering? A good friend of mine a fellow that I had stayed with my last year of high school he - his dad was an old Penn State graduate. He was going to Penn State and he was aspiring to become a petroleum engineer. And we had romantic visions of exploring all sorts of remote, exotic places and so forth. But I was not cut out to be an engineer. I had no interest in the engineering curricula to speak of. I should have been doing something worthwhile like learning waterfowl identification or something I could use in later life, but anyhow and I was miserable at it.

So I in a way welcomed the excuse the leave, which of course was presented in 1942. But while I was at the University I was playing football. I got injured.

Ter: What position did you play?

Ham: Beg pardon?

Ter: What position did you play?

Ham: Well I played, back then we played full 60 minutes. We played both offense and defense and I played defensive end, right end, and offensive fullback. I wasn't that big and I was vying for the fullback job which in East-West game the first year I was in the service I

heard this guy, the biggest man on the field, was on Aldo Sensy from Penn State. Now he and I were competing for the fullback job so you can understand he played a little more often than I did. But when I got injured I had to turn down - I had been offered a scholarship and I of course was no longer eligible for that.

Ter: Now injured, you mean injured in the service?

Ham: In football.

Ter: Well what was the injury, what happened?

Ham: Well for one thing I had broken a toe. It had an eardrum busted, but at that time I - my back was giving me fits and I started getting the headaches. And whether there was a connection between the back and the head I don't know. But I couldn't stand to watch a football game while I was somehow - unless I was playing. And so somebody said why don't you take flying lessons. And out at a little airfield I think outside of college, Penn State College, and there was a course that was being inaugurated called the Civilian Pilot Training, SPT Program. And for \$25 if you could pass the flight physical, they would teach you to fly with one consideration and that was in the event of a national emergency you were compelled or you agreed to enlist in either the Army, Navy, or Marine Air arm.

And of course not long after there was a national emergency. So I was had and I enlisted in the first Navy Preflight School. And I was given theoretically you were given your choice of whether going to preflight school and if going to preflight school where to go. And it was the very first Navy Preflight School. And I opted to go to Philadelphia. So I was sent to Chapel Hill, North Carolina. Then for primary training you were given a selection. I opted to go to Boston, which was near Vermont. So I went to Dallas. Then while in Dallas, I was asked whether I wanted to go to intermediate training to an area called Eager Acres, Cabanos Field, or Cudahee Field. Eager Acres or Easy Acres, so naturally I opted for Easy and got Eager. Everything I asked for in the Marine Corps I didn't get. I asked for fighters. I got assigned to flying those old OST2U that were catapulted off a battle ships and actually float planes, actually good training, but everything I got I didn't ask.

And then I asked to go into - I didn't want to go into being an instructor and so naturally they assigned me as an instructor. So I thought well I'm going to play this game. You never get anything you want so then I put my application in to be sent overseas. Lo and behold I finally got what I'd asked for.

And so I got sent out, but I went only in the last year of the war. And I was - I got in the when did the war -

Ter: You were down in the South Pacific, right, Jay?

Ham: South Pacific.

Ter: The war ended in August of '45 and but you went out in '45 or '44 or what?

Ham: No, yeah I went out - I went in the spring of '45 I went overseas and then it was in the Marshall's, actually all over the South Pacific, but mostly in the Philippines, Zamboanga, the Philippines, and then Okinawa and when the war folded up.

Ter: What kind of plane did you fly, was it a dive - I thought you had a diver bomber?

Ham: No I flew mostly Course Airs, although I did fly dive-bombers, SPD Donlets, but mostly Course Airs yeah.

Ter: And what was it, cause did you crack up once or how did you hurt your back?

Ham: Well I had an incident when I was in flight training that really aggravated my problem. One night we were flying these OS2U floatplanes and there were a whole bunch of us up about 100 aircraft cruising around. The fog came in at Corpus Christi, really flew off of a place called Laguna Madre outside of Corpus. And the fog came in and we - it became the - I don't if it still is, but it was the worst training accident in the Navy history. I don't remember how planes and how many pilots were lost, but it was something else. The fog came in and you heard a lot of chatter on the radio, guys hollering, guys panicked and airplanes smacking into each other and you'd go along and suddenly be in somebody's slip screen. It was rather terrifying.

But I was a red glow coming up through the fog and I thought I knew I was oriented over the place near Laguna Madre and so I started to let down on instruments thinking I was going to land in the water and all of a sudden I broke through the mist and here are buildings on both sides. I'm going down one of the main streets in Corpus Christi. And a fellow in the paper the next day said he looked out the window and saw an airplane below him. And I don't know whether that was me or not, but I remember I had a leather flight jacket on and it literally soaked through with sweat. I was - oh.

Anyhow I finally got oriented from that and I went over to where I was pretty sure Laguna Madre was and now Padre Island - you don't want too far out or you're going to hit the island. So you had to calculate it and fortunately I - it's not had to land a floatplane on instruments. And so I let down and let down and let down, hit the water, heaved a big sigh of relief and about 10 seconds shot up on a sandbar. Didn't flip over but high and dry.

Meanwhile hearing people hollering and screeching and actually hearing a couple of airplanes collide and a guy came in, spun in and crashed about 200 yards from me and his airplane was about to sink. And I had a - my rubber life raft inflatable and I went over and pulled him out of it. And a fellow by the name of Harry Moore, who became a general later, but Harry's head looked like about the size of a pumpkin and split open. And my back, we paddled in - oh, we got over to my airplane and then the tide came in and was able to taxi into the base. And I almost went to the hospital, turned myself in, but I was supposed to graduate within a couple of weeks, so I didn't do it. And it was only

years later I found out that at that time I had fractured either lumbar or cervical vertebrae. And then that got aggravated later on when I had another (inaudible).

I did graduate and went overseas. Didn't have too much trouble with the back until later on. And oh I had my tail feathers knocked off and I was going to jump out of the airplane, but I chickened out. I was only about 600 feet up and I looked - got over there and looked, looked over the side and I wasn't doing anything dramatic. I had no vertical stabilizer.

Ter: So the end of the plane was shot off, is that right?

Ham: Yeah, it was, yeah, it was - I had a little stick up there so I had no rudder control, but the aircraft was not doing anything dramatic and I was able to land on the beach, wheels up, but gave me another jolt.

So between those two or three incidences, plus the football injury, I was not in too good of shape. But when I came back home I had met a fellow in Texas who was walking down the street.

Man: Another story I should change this reel.

Ter: He has got to change the reel, Jay. Oh, no exactly, kind of you know in a way it was probably really good training for you later on with all the aviation experience and stuff I mean for Alaska in a way. It probably turned out to be pretty darn good you know I mean as far as the -

Man: That was 10.

Man: This is 11. Okay. Thank you.

Ter: Okay. Let's see Jay we were just talking a little bit more about the war and I wanted to ask you something about Vermont, but anything else. What was the thing when you got your tail of the plane shot off, where was that action at? Do you remember where that was?

Ham: It was in the Marshall - Marshall Islands.

Ter: And what was the mission, do you remember what the - do you remember what the mission was on that particular day?

Ham: Yeah. We were on a combat air patrol. I don't remember precisely. We did a lot of - during the last year of the war there was mostly aerial combat was over. Most of the stuff we did was air ground support, dropping Napon and that sort of stuff and against shipping. And that was what we were doing at that time, combat air patrol, so.

Ter: So the - you would have been shot down or the thing that got you was like fire from the ship?

Ham: Another aircraft.

Ter: Oh, it was.

Ham: Yeah.

Ter: Like Japanese Zero or something or what was the - do you know?

Ham: I don't know exactly what airplane?

Ter: Okay.

Ham: I knew suddenly I didn't have a tail. They had a - what is it - this was not - there's an old Kipling rhyme, monkeys have no tails in Zamboanga, they got shot off by - or cut off - bit off by the whales at Zamboanga or something. And I remember we had a big half of a zero that was hung up and (inaudible).

Ter: That's a great. What about in Vermont? You said in a way you remember that a little bit better maybe?

Ham: We lived in a beautiful spot in Vermont called Rupert, Vermont, which I used to say nobody had ever heard of. I'd been many years in Alaska before I found anybody that had ever heard of it. I was - remember when the volcano blew up over here in Redoubt some - no yeah, Redoubt, no not Redoubt -

Ter: Augustine or

Ham: Yeah Redoubt and they evacuated some people that were staying at a lodge there. Well that was Big River Lakes going through Lake Clark Pass. I was flying home one time and got caught in bad weather and had to land there and spent the night with those folks. And they asked me where I was from and I said Vermont. And the fellow said where in Vermont. And I said you've never heard of it and he said try me. I said Rupert, Vermont. He says my father was born there. Couldn't believe it. He knew all about Rupert.

Two weeks later - I used to do a TV show and we were out in Unuk, oh no Dutch Harbor and I was staying with a schoolteacher, my crew and I. And they asked me the same thing. Where you from? I said Vermont. They said where in Vermont and I went through my usual drill. You never heard of it. The woman said I was skiing on Hammond Road two weeks ago. I'd never heard of Hammond Road. There was a little stretch of dirt road named after my father who was on remember the Merck drug industry, Mr. Merck had a beautiful farm not far from where we lived there and my dad was appointed to a conservation organization and they named this little stretch of road. And sure enough I found it. A little sign up, Hammond Road.

And that wasn't enough, the same year I'm in Dillingham buying some lumber at the Dillingham Lumber Yard and some guy came up to me and said you know I used to have cocoa and cookies at your dad and mother's parsonage in Rupert, Vermont. So I don't say that anymore. You've probably even heard of Rupert, Vermont. I guess less than 100 people, but a beautiful area.

And I went back after many, many years of absence and I almost didn't want to return. I thought it would be all plastic, paved over, and populated. Same ruts in the road. Looked just the same to me as it did when I - and it was kind of great in a way because it is nice to know there are some things not changing that dramatically up here. Can't say that about Alaska.

Ter: What part of Vermont was this, the northern?

Ham: It's the southwestern part.

Ter: Southwest corner, okay, okay.

Ham: Near Manchester if you know where Manchester is, yeah.

Ter: Did - so when you were a kid Jay did you like hunting and fishing or what was your dad -

Ham: Oddly enough like most people that end up flying they say they were really nuts about flying as kids. I had no interest in flying airplanes to speak of at all. My brother did however. Every weekend he'd bicycle out to the Schenectady Airport. I remember we went and met Wiley Post and Caddy and they had been doing their thing with the Winnie Mae - a little before your time. And we'd go out - I'd once in a while would go out there with him, but he was always building model airplanes. I was nuts about horses. Never had one, but I was crazy about horses. I had big albums full of I could name virtually every kind of horseback then. Spent a little time grooming some Arabian horses that the troopers have and I was privileged to deal with them, even shovel the stables was rapture to me of all things. Anyhow what ends up my brother ends up in the Mountain Troops in Colorado with horses and I end up flying in the Marine Corps. And he never did learn how to fly and I never got a horse.

So everything I've done in life has not been planned or programmed. I've been what I call a victim of serendipity. Good things happen to me in spite of myself. Never thought I'd come - never thought about coming to Alaska either. And I ran into this Navy officer shortly after I got my wings in Corpus. We were walking toward each other down the sidewalk and this guy has his nose all Calamine lotion and he blistered and red headed fellow. I walked by him and I said boy you look as miserable in this country as I am, where you from? He said I'm from Alaska. Well it happened to be a fellow by the name of Bud Branom who was about 13 years older than I was and he was a Navy officer who came to Alaska to - and handled the Navy's Air Sea Rescue Program and I went to the South Pacific. But we corresponded and he spun a bunch of tails that sounded pretty good

to a well haired kid and asked me if I'd maybe want to come up and work with him after the war. So I did and only wish I had come up 20 years before.

Ter: Cause he was a guide, right?

Ham: Yeah, he was a guide and probably one of the most prominent ones and successful back in those days. And I worked off and on, well actually while I was out we had a trapline and about 180 miles in a figure eight. When I was out on the trapline with the dogs one day it got warmed up and was slogging along on snowshoes and big heavy - and it knocked my back out again. And I had to hold up with the dogs and he came out and picked me up and I went to Fairbanks. And saw a chiropractor up there and he got me functional again, but I got a job then at - as a labor foreman - actually I wasn't a labor foreman yet, I worked as an apprentice carpenter at Ladd Field, which is what now?

Ter: Fort Wainwright.

Ham: Fort Wainwright, yeah, it was then Ladd Field. And one day I picked up a heavy case of tar and oh, I felt something go and I was hauled over to the infirmary and they X-rayed me and turned me loose and I'm walking home and an ambulance comes screeching up and said get in you've got a broken back. And they put me in the hospital in a full body cast, which I wore for about oh my goodness I don't know how long, long period of time.

But while I'm in the hospital I was on Worker's Compensation at the time and one day the fellow that handled that came in and says I hate to tell you this but we have to take you off of Workman's Comp. Why is that? He says well we got a letter that your X-rays show that - evidence of what appears to be either - might be either cancer of the spine or tuberculosis (inaudible). Well fortunately Dr. Haglund, Paul Haglund reviewed those X-rays and concluded no you have an old spinal injury and which apparently an infectious process set in and it collapsed when you picked up that case of tar. And so he checked my records and I had amebic dysentery when I was overseas and he concluded an amebiasis infection that had caused a weakening in the bone and collapsed and so forth. And boy he achieved sainthood in my mind - old Dr. Haglund because of that because it bailed me out and they - then I went back to school at the University to finish up, wearing a full body cast and bought an area of land from old Dr. Bunnell out in what they call Vulture Flats.

And I remember one day I was down there. I bought a little shack and moved it out there and I was going to build a basement and move it over the top of that. And I'm down digging and shoveling the basement wearing my full body cast and some guy comes up to me and - two guys and they're standing there watching me and asked me what my name was and I told them and said you know I had an instructor in the Marine Corps by the name of Hammond, but he was a great big guy, big SOB. I said I guess I'm that SOB. Sure enough he had been a student of mine. Jack Hagdahl by name. Maybe you knew him. He was around Fairbanks for a long time.



Well then when I first started out in Petroleum Geology up there when I went back to school but concluded again that wasn't for me so I switched to anthropology - switched to premed and graduated in biological sciences. And I tell people I still don't know what I'm going to do when I grow up. Certainly the last thing I'd ever thought I'd do is get into politics. If anybody had suggested it, I'd probably have kicked them out from under their hats. I had slow pain threshold for politicians, still do for that matter, but on the other hand you know I used to say I was one of the good guys, hurling rocks in the arena at the bureaucrats and I suddenly figured out with four years in the service, four plus years in the service, and two years as mayor, one year working for the weather bureau, seven years with Fish and Wildlife Service, six years or twelve years in the legislature and eight years as governor, I'm the biggest bureaucrat of all. And if that isn't a horrible realization, but anyhow it has been an interesting trip.

Ter: Well Jay did you have Iris Garland in anthropology.

Ham: I remember that very well and I worked for Louie Giddings as - I was the assistant curator under Louie, helped pay my way through school and that and also worked as a carpenter there - helping the carpenter. Funny little guy - I wish I could remember his name. I'm sure he's long gone, but I remember when we'd go up to the girls dorm to do a repair job, he opened the door and he said all right girls close your eyes we're coming through. Oh dear.

Ter: What a great guy to work with.

Ham: Wonderful little guy.

Ter: What was the - cause your degree was in - was it biological - what was your degree finally in Wildlife or?

Ham: No, no, degree in the Biological Sciences.

Ter: So was that -

Ham: Druce Schaible or Druce Gacar at that time was the main professor. She had aspirations or thought I was interested in going into medicine and she was very helpful and permitted myself and two or three of her other students to sit in on autopsies and do a number of things that normally you weren't permitted to do at that stage of time. And - but I had never had intention to become a doctor and could never have made the grade anyhow in all probability, but I'll never confess that publicly.

Ter: What was the - the shack where you lived or the house that you built that was down in the flats, right, Vulture Flats?

Ham: Yeah.

Ter: But do you remember where that was or I don't know -

Ham: Well I found it. I had to look carefully to find it because it is all grown up. Back then there was only I think two other residences. Nick Item had a store there that maybe still exists and then there were one or two other people but I don't remember their names, but I found it. It had been built onto. People had added little wings and the original shack was pretty well enclosed, but I can't remember the name of the street. Do you know the names of any of the streets there we might be able to - if I heard it I'd remember it?

Ter: Well Bunnell had named - I think he named the streets - now I don't know if this was afterwards, but he had - there was Deborah, Hess, Hayes. He named them after the mountains and there was also one after the first graduate Shanley.

Ham: I don't remember where it is exactly, but -

Ter: Next time you come up I want you to show it to me though.

Ham: Yeah.

Ter: We ought to do that, yeah because, especially if you dug it out you know if you had a basement then that has got to be pretty unusual.

Ham: I had a basement and the interesting thing I also had a well and had you know how the water much of it has got that iron, wonderful water, beautiful water, perfect. And somebody said oh you're just getting surface water. You got to get down. And so I got a steam point and I drilled it down another and I busted into that lousy stuff. Then I got out of there shortly thereafter. But Jack Hagdahl had a place not far from where I was ultimately and Jack - and in fact one time I went back to visit there and I spent a little time in the trailer with Jack. I'm sure that the other guys you'd remember if I could think of their names, but I can't.

Ter: So Jay tell me when did you meet Bella, cause -

Ham: I met Bella when I went into the Fish and Wildlife Service I first was assigned here in Anchorage.

Ter: Now was Fish and Wildlife right after you graduated was that what I should go back a second, so when you graduated -

Ham: I went to Fish and Wildlife, yeah. One of the reasons I went back to school and took biological sciences, I had gone to see Hogar Larson, who was an old game warden with Fish and Wildlife Service here in Anchorage, see about getting a job as a pilot agent. And he said well you ought to go back to school get a degree in biology, we don't have any openings right now and so forth. So I went back to school and I got my degree and I came back and but I departed a bit from the pilot agent thing in this manner. I had written an article that predated Farley Mollett's Never Cry Wolf exactly in the same vein. Ivory

tower assumption that wolves took nothing but the lame, the sick, and the whole and it was printed in, I don't remember, Field and Stream or Outdoor Life or something and -

Ter: Was that your first publication?

Ham: Not the first one but one of the first, yeah. And remember Frank Glazier, old-time wolfer, mountain man, incredible guy and Morrie Kelly. Morrie Kelly was the head of the newly inaugurated predator control division here in Alaska and they had read my article and they came out to see me. And as graciously as possible told me I was all wet. I had - and they said you're familiar with the Rainy Pass country, you've flown around there a lot, we want to do some predator appraise studies up in that locale. And you're also a pilot and would you be interested in taking a job as a temporary, at least to see what really is going on. I had the impression they were flying around the country indiscriminately throwing poison out of the windows and killing everything and sundry in the process and so forth.

And they asked me - they said would you be interested in taking a temporary job so you see what's really going on. And I said well if I do and find things to be, as I believe them to be, I'll be your worse critic. I ended up working for them for seven years. But in the process I'd like to think did something to win the public attitudes away from what prevailed when I first came here in Alaska, which would kill all the varmints off. That was the attitude back then and predator control was very, very popular, wasn't controversial, no, they had bounties on virtually everything up here as you might know, eagles and wolves and coyotes and seals and somebody even wanted to put them on bear, but they didn't go that far.

Anyhow I ended up working for them for seven years and we I think - I personally - most people start out one end of the spectrum or another, either all varmints or they're noble creatures that never should be in the slightest degree harmed. The truth is as in most instances somewhere between the two, but very few people reach that point.

I remember I made the statement one time - in fact I think I wrote it in the book I said I want to make it clear from the start that I'm not a wolf expert but of course like everybody else I used to be, but that was before I got a degree in biology, trapped for a living, worked seven years as a government hunter, lived in the area where we see wolves frequently. And as they say the truth is somewhere - if you truly want to affect population dynamics that increase numbers of not only moose or caribou, but incidentally the wolves predator control may be warranted in certain circumstances. Most everybody agrees that, even the most extreme (inaudible) retired biologists may say and there are maybes but they never encounter those circumstances.

So what happens? You try to conduct a reasonable operation up here that is surgically pinpointed to affect a select area or a number of wolves and of course it is so outrageously un-sportsman like the screams of anguish deter the - say for example if you - what's the most select means of conducting predator control. To go out and locate the offending pack members and radio collar them and then follow them with the helicopter

and selectively pick - oh, my gosh it's so outrageously un-sportsman like. Politically is untenable. So the state is then forced to do something else. And what do they do, they adopted this snaring program, which of course then was videoed and sent around the country showing the wolves suffering in the snare and the public outrage was in extreme. So then they adopted ridiculous measures like trying to neuter the males and cut down on production when - I don't know.

The answer to it is to do it selectively if recommended by not the politicians but by the biologists. And ironically enough the biologists that recommended when I was in office as governor, the biologists for Fish and Game recommended the state conduct a very selective predator control program south of Fairbanks. You may remember that. It was one who had been the most critical of the federal programs and totally opposed to predator control until you're out in the field and you see the results of constraining the wolf population. And wolf populations are kind of like a rubber band. If you cut them way down they'll spring back in greater numbers than they were before. Nothing in a wolf population depends on prey and by protecting the prey and let it build up in numbers your wolf population will incline upward as well, but most people will never have the chance or opportunity or necessarily desire to learn the facts and so they take one extreme position or the other. Let's get on to something else.

Ter: But Jay so in the seven years so after you left the University you went to work for the predator control guys. And I remember then you wrote an article on Alaska sportsmen about that, right? Was that after you had left, remember you wrote after you working for them. If you don't remember, that's okay.

Ham: Oh I -

Ter: Might be more than one. I don't remember.

Ham: I did do more than one, but I tried to - I did one oh, maybe it was something I did for my last book - Chips Off the Chopping Block. Remember Bill Waugaman wrote a letter to the Editor saying every biologist and all Alaskans should read this, best thing he read on wolves, trying to give an even and balance to presentation in regard to the wolf situation, but most people are so entrenched in their one camp or the other it is hard to meet a happy middle.

And the truth is somewhere between the two. If you want to increase prey populations in some instances wolf control - I've seen it - I saw it on the Alaska Peninsula. I went down - I was sent down there to take a look at the situation. The caribou that at one time caribou and reindeer population totaled 60,000 allegedly back in the old days. Wolf populations built up with the introduction of reindeer. People down there had never seen the wolf until they introduced reindeer into the country. Wolf population built up to the point where they were - I remember Dave and Mary Alsworth for example took - found what - I don't remember - they had taken a number of wolves between Egavik and Naknek. Can't remember numbers. But we took 250 wolves off the Alaska Peninsula. When I went down there to survey the reindeer/caribou populations, all we could find is

roughly 1,200 of that 60,000 alleged. We took - I didn't do it all by myself but together about 250 wolves off of that herd. They built back up to 20,000 and the wolf population built up along with it. So there are plenty of wolves and caribou or at least they were. I don't know what it is like now.

Ter: It's the balance isn't it. Let me check is there a thermometer in here? Jay, I might turn that down because the heat we're hearing.

Man: I can just hear - almost not picking it up at all.

Ter: All right. How is that?

Ham: Okay. I first met Bella - I had been sent down to Bristol Bay and -

Ter: And this as a predator control guy?

Ham: Predator control, right and I was in Dillingham and they had - they used to have kind of family type dances and penuche games weekly at a place called The Willow Tree. And there was a dance that particular evening and I'm not much for tripping the light fantastic. It is not very light but it sure is fantastic. Anyhow, I walked up to this pretty young thing and I said I always accord myself the privilege of asking the prettiest girl in the room to dance and that's the only dance - and it happened to be Bella. And I met her, she was I don't know, still in high school then and I - her dad was an old Scotchman that came from the old country back in 1896 or something. It was on the Gold Rush. He had been playing professional soccer around the world at different locales. Anyhow he was much older than Bella's mother.

And I think the next time I encountered her was in the restaurant called the Greenfront Café in Dillingham and I used to eat there regularly and I very carefully avoided ever drinking the water because they got their water from up on the hill just above the Greenfront, which was at the base of the cemetery. And I remember seeing a small boy relieving himself in the water hole one time and I thought I'm going to drink nothing by orange juice. I conveyed this to Bella and her dad and they started laughing and found out that they were reconstituting the orange juice with very high calcium content plus whoever knows what else on the other hand. That was kind of my second introduction with Bella.

She then went to the University and was up there in '51 I believe and I took her away from all that and we got married in '52, yeah.

Ter: What was her dad's name?

Ham: Her dad's name was Tom Gardiner.

Ter: G-A-R-D-N-E-R.

Ham: G-A-R-D-I-N-E-R. And he was kind of the head of the fisherman union or whatever they called it back then and a very interesting fellow. I wish we had recorded more accurately some of the stories he had.

We went back to Scotland here some years ago to try to locate where he had come from but it was all part of an urban renewal thing and had been wiped out. We finally located his site, but the interesting thing about that was we went over there the first time the convener which is like a governor had known we were coming over and that I wanted to seek out his family tree. And a fellow, very proper gentleman by the name of Mr. Quale drove us around and he said we've looked into all the records and we can find no reference. We knew what his name was, what his date of birth, what his father and mother's name were, where they lived and so forth - couldn't find any reference to it, any records. And I went - he said but you could go to the archives there in Edinburgh and find the names of -

### **Side B of Tape**

Ham: F. Gardiner, D. Gardiner different names and so forth and nothing jived. The birth dates or anything else. And I started to walk out and the thought hit me. I wonder if he changed his name. I went back there and looked up Thomas Gardiner Finley. There it all was. His mother, where he lived, the date of birth. Mr. Quayle and Bella were there and I told them what had happened. I said we're going to come over and research further sometime and the next time I'm going to check the jail records. Mr. Quayle threw up his hands oh my God. But I guess that was not uncommon to change their names and assume his mother's name I guess.

But we went back then later and we found exactly the street he lived on and it was in Greenwich, a place not far from Glasgow and the whole business. Very interesting. We enjoyed Scotland immensely. I'd like to go back again

Man: Need to change reels.

Ter: Okay.

Ham: And determine how to disburse the wealth. I would put it in the people's pockets and compel the local governments and the state government to tax it back or user fee it back.

Ter: Yeah, yeah. Cause he's talking about this community is that his deal?

Ham: Well a community dividend, which is nothing more of course than revenue sharing.

Ter: Yeah, yeah.

Ham: Which I have submitted before. I wrote the bill incidentally that created it.

Ter: Yeah.

Ham: And one of the most interesting things that time does not permit to understand but if I ever did anything that gave me satisfaction in the legislature was that action. Because it involved a free conference committee report that the media said, whoa, you talk about a free conscious of disband in five minutes. It was a free conference comprised in the House of Bill Ray, Tom Fink, and the free conference that couldn't possible resolve it. In five minutes we came out with a bill that all agreed to. It gave everybody presumably exactly what they all wanted. The only thing is it gave us in the Senate exactly what we wanted and it gave the house only what they wanted after we had been accommodated in the Senate. And after we had been accommodated in the Senate from the funds that had been appropriated - but it worked beautifully. But it's so hard to explain and understand. But I never had more satisfaction from doing something that (inaudible), anyhow.

Ter: Well Jay I always thought that you had fun in politics. Well I did and largely because of guys like Tillion. They gave the comic relief that was so helpful. I remember, you may have read about it, when Tillion first came aboard he sat in front of me. And I'd think of some outrageous thing to do but didn't have guts enough to do it and knuckle in Tillion's back and I'd say Clamp, why don't you and he'd leap up and perpetrate another outrage and I'd sit there of course in shock and dismay like everybody else. Wonderful. But I don't I could have survived it without Clemhill. But anyhow.

Ter: Well let's see, oh (inaudible), so you guys got married in '52?

Ham: We got married in 1952 and honeymoon. We got married in Palmer and by Dorothy Saxson, who I think may be still Magistrate up there. She was for many, many years, but last I heard she was still holding forth in Palmer in some capacity. And then we honeymooned in Seward.

And then I came back and we went back to Bristol Bay, King Salmon actually. And I was working for Fish and Wildlife. We had a little World War II house, building, about the size of this room, less so. And I moved it into a location there, paneled it, and spent not much. We had no indoor plumbing facilities of course. Fixed it up and then Fish and Wildlife Service decided to charge me rent.

So we moved to Naknek and bought what they call Model Café. And it was truly a model. It was certainly of ancient vintage, but it had one of the few flush toilets in town, one of the three or four about all there were. And we built onto that and then ultimately got a piece of land out up on the hill towards King Salmon and moved that building over another basement that we dug up there. I didn't do that one in plaster cast however.

Ter: And then you guys - so you decided you were going to live down there in Naknek or cause of the Fish and Wildlife work basically, right, was that it?

Ham: Yeah, I work out of there for a number of years and then I had another very strange accident that you perhaps recall where I don't know how much you want me to go into it but I was flying a fellow by the name of Sea Otter Jones, very colorful character from

Cold Bay around the country and he wanted to stop at King Cove. This was before King Cove had an airstrip and we were - I had ski wheels on the airplane, Super Cub and there was a little lake there that we used to use to land there. At the end of the lake about three feet off the ground is a big wooden pipe that the canneries got their water from. And there were a number of kids who were skating on the ice.

And I came down, buzzed the lake to let them know I wanted to land and they all parted to make room. And I came around to land and it was a hot day for Cold Bay at that time of year. It was above freezing and the sun was shining and a little slick of water on the ice. And if you land on skis on ice of that nature it seems like you accelerate rather than slow down. So I pumped the skis up, landed on wheels and congratulated myself on getting in right on the edge of the lake, but it kept going, and going and going and going and going. It looked like we were going to run out and I might knock the gear off. So normally I would just done half a ground loop and caught it with the throttle, which is easily done on ice, but the kids had all come back behind me so I didn't dare do it. I had to ride it straight out.

So I jumped out of the airplane, grabbed a hold of the strut and I'm sliding along trying to slow it down. We weren't going very fast, but I hit a box that was buried in the ice and it shattered both my ankle bones and I got picked up by a fellow who is known the Bull of King Cove, old Mike Utak. And he packed me up the hill on his back and they put me in - well first we stopped at the schoolteacher's place there who professed to be an expert in First Aid. And I should have known better and it didn't sound right to me. Oh you got to soak your feet in hot water right now. Worst thing I could have done. They blew up like balloons. They were all red blood blistered and so forth.

Well we - they tried to get an airplane in from the Coast Guard from Kodiak and Fish and Wildlife tried to get a Goose in from Anchorage. They couldn't get in the weather was bad and for three days I - they put me in a cannery bunkhouse there and the people proceeded to party for about three solid days and it was just as well I guess because I couldn't get any sleep anyhow. I had taken fistfuls of aspirin but my legs were blown up to the point where they looked like elephant legs and I thought I got to get out of here.

Well they couldn't - I couldn't fly. I couldn't fit in the front seat with the feet the way they were or I could fit but I didn't think I could press on the rudder pedals, but I thought if I had to in an absolute emergency maybe I could do it, but Bob Jones who didn't fly he got in the back seat of the airplane and I said you work the pedals and I'll work the stick and throttle. Well let me tell you, two heads are not better than one when it comes to trying to fly an airplane. And we went racheting off the ice there and I thought oh my gosh we got aloft, how are we ever going to get down? Right, right, left, left, right, left, we're going off like a busaded target gun over wipe berries. And we went over to Cold Bay and it was still blowing bad cross wind and I thought oh, my gosh, how are we ever going to get down? We came in for a landing and get the runway, came up in the air, up on one wheel, around, missing the runway lights and finally did a ground loop and knocked the (inaudible) off one, but got stopped. And didn't do any damage to the airplane.



They packed me over to Jones' hut. Fellow by the name of I think it was Cal Linsink and Ron Skube, but I'm not sure. Names that you may remember and while we were at Jones' still they're trying to get airplanes in. There was nobody at Cold Bay. This was before the Army, very few people there. It was before Reeve established a regular stop there and so forth. And I'm at Jones now for another three or four days and things are getting worse and worse and I thought I was going to lose my feet if I didn't get out of there, but there was nobody, believe it or not, in Cold Bay who flew that could fly me north.

So I had them build me a couple of splint type things that went down below my foot so I could push on the rudder pedals, cause I couldn't stand the pressure if my life had depended on it I couldn't have pushed on those rudders. I found when I took off at King Cove. So anyhow some brave soul went along with me cause we had to have somebody to pour gas in the airplane and I put - I couldn't sit in the front seat because of this splint type things. So I sat in the back seat where the rudder pedals that I could push but there wasn't throttle or stick. The throttle had been removed. There was one up front but I attached a rod to it so I could use that and I had a big long screwdriver that went down through the floor into the slot where the stick belonged.

And we got off all right and went up to I don't know whether it was Port Moller or some place, Port Heiden maybe and he fueled the airplane with gas. We had terrible weather. Blowing a gale. My wife meanwhile has heard I was coming up and waiting there at the airfield with an ambulance. She is there with some of the medics from the military. And it's getting pretty dark about now and we're coming in for a landing and all of a sudden this guy snatches the control. He panicked, snatched the controls away from me, and we go rocketing up like this. And I'm hollering at him. I got it. I got it. And the normal means of communicating with your co-pilot is to wiggle your stick, which I did and my screwdriver came out. And there we are fluttering along. Fortunately I was able to get it back in and made not a textbook landing, but they put me in the ambulance and finally then brought me into Anchorage a day or two later. They doped me up and hauled me into Anchorage.

They put me in the 5000 1<sup>st</sup> Hospital, which was an old Alvin hut is what it was, like a big Quonset hut. And they got me in traction because they had to let the blood blisters and swelling reduce somewhat before they could operate. And I'm hung up in this traction device one night and suddenly I heard shrieking and screaming and people come out of one of the sections of this thing. The doors open, smoke billowing down the hall and here's the lame, the sick, and the whole going out on their crutches and canes and wheelchairs. Hey you guys I'm hung up in this traction device. And finally I had to unhook myself and slip over the side of the bed and go out in the snow on my butt. And it burned the whole place down. Two nurses were lost in it. Really a tragic event.

And that wasn't the end of my humiliation however. They put me in the then new Native service hospital here in Anchorage. There was a picture in the Anchorage News or maybe it was the Times that was the ultimate. That picture on the front-page it says Native women from the villages arrive anticipating what was the headline? Native Women and

Villages arrive to anticipate birth of their children or something like that. Here's a picture of maybe 30 or 40 very obviously pregnant Native women and in the midst of this conglomeration is myself; the lone male on a hospital gurney looking like an oriental potentate this was his harem. That was the ultimate.

But it brings - anyhow I was laid up for a long time.

Ter: What year was that? What year do you think that happened do you think?

Ham: Oh, my, 1950, must have been '56.

Ter: And the hospital that burned down, was that in Anchorage?

Ham: It was 5000 5<sup>th</sup> Hospital.

Ter: Out at Elmendorf?

Ham: 5000 5<sup>th</sup> or 5000 1<sup>st</sup>. It is still called that, but it is not an elephant hut anymore, very elaborate. But then that finished my career with Fish and Wildlife, so.

Ter: Cause you couldn't fly any more basically or -

Ham: Well not - they put me in a oh I was long time in a cast. They fused my right ankle, not my left one, but they put me in a cast and when I was able to walk around at all. We bought the Model Café as a place to live and that was and I was stumping around on crutches, short order cooking and finally I had a couple of walking casts. She was making up the 30 pies a day or so and we were losing our shirts believe it or not. And we had charged I remember outrageous prices. A cup of coffee and potato salad and hamburger we were charging one dollar. And it seemed like a high price back then believe it or not. Anyhow that proved to be a very unsuccessful venture. When I was able to function again they offered me a job Fish and Wildlife. I could either go to Juneau in an office capacity or take what they call a reduced retirement. It was reduced by so many percent for every year you were less than 65. So being much less than 65 myself it ended up something like a negative percentage, very small, \$100 or something like that. But it was getting out of an office job.

I never aspired to an office job and then I went into the guiding, flying and the commercial fishing business. And I worked with a fellow by the name of Dick Jenson, who had an operation called Alaska Aero Marine. And I remember we acquired our hangar from the military. I went and took a chain saw and literally cut a big building in half and we moved it across the runway at King Salmon and put it together and operated out of there. He guided for me in the spring and fall and I'd fly for him in the summer. He finally sold out to what ultimately became Penn Air to Oren Seabert and George Tibbets. And they were much more successful than we were obviously.

Then when I left that I - in 1959 I - couple of schoolteachers came to me one day. We just became a State. And they said you ought to run for State Legislature. By the time I stopped laughing I told them I had no interest whatsoever and that actually I had voted against statehood and for reasons that you are probably familiar with. And they said well and I said I'm not affiliated with either party, Republican or Democrat. And they came back a day or two later and they said well they named a fellow with most outrageous choices imaginable, pretty well inebriated type, which is one qualification I suspect with many politicians, but he exceeded the bounce and propriety when it came to that. And he - they said guy has filed. He's going to win. The only other fellow that has filed is a Republican and doesn't stand a chance to win and it was six to one Democrats in the villages back in those days. And they said well you could run as an Independent. And they said all you have to do is go out and get a petition with so many names that say they'll support you. And I said forget it. And they said well would you consider it if we went out and go the petition. I said that's the only way I would consider it and that's what I thought would be the end of it.

The next day they came back with a petition. And in their minds consideration translated into commitment. I never said I would but I never had guts enough to tell folk who think I made a commitment that I really didn't. And so I agreed to - I didn't do any campaigning. Didn't lift a finger. And to my dismay really I found I was elected.

But I enjoyed the legislature. I spent six years there and it was an entertaining time in Alaska's history. We were setting up the whole state government and there was some very remarkable outstanding statesman like figures involved back then that - and we had the sort of legislature was truly citizen legislature. It wasn't you had to get down there, do your work as rapidly as possible, and get out as soon as you could to make a living.

And I mentioned several times that there has only been one session which I served in the legislature that warranted more than 90 days and that was the first and we did that I believe in 67. And we set up the entire state government. I have since wondered what in the world did we overlook that obliges us to sit every year 120 days threshing out.

One of the problems I think is that people spend so much money and time and effort getting elected that they - that becomes the overriding consideration. What's going to get me re-elected? And when I was Governor I used to have people come to me not infrequently and say you're right I'd love to go beyond this but I wouldn't dare I'd never get re-elected.

Problem is too few really can place the best interests of the State over the interests of their selective constituencies or provincial constituencies or special interests constituencies. And it's a shame. I don't know how you get around it, but I almost have reached the conclusion we'd be better off if they could vote secretly on issues. I'm not so sure we wouldn't. Outrageous suggestion but so few (inaudible). I mentioned somebody the other day an issue that one of the prominent Republicans down there the - remember Fran Ulmer had proposed that so-called parachute plan that would turn - oh he said yeah

the concepts great but Fran Ulmer proposed it, we couldn't support that. I mean gosh. And I don't know.

So I for a guy who is happy to be out of politics it seems like I'm sticking my nose into overly much, but with this fiscal gap issue. If that can once be resolved you'll hear a lot less from Hammond on the political front. And we're getting close. I believe it.

Ter: Jay, let's go back to the statehood for a second. Let's just sort of recap a little of your interests about why you thought it was a bad idea and the people who did. A lot of people felt that way.

Ham: Yeah, well, yeah, I voted well let me go back a little bit. I was recently invited to the University of Alaska by President Hamilton. The invitation read rather whimsically I thought for - we're inviting old or many of those who played significant roles in the establishment of the statehood. And they had apparently had forgotten that I voted against it. A fact I didn't reveal until after they had fed me, feeling they would deny me nourishment, and confessed earlier but I knew somebody would confess for me if I didn't, perhaps Terrence Cole.

But anyhow, my reasons were simply this that with our tiny population - I don't know it was only about 70,000 people and we had no economic potential immediately on the horizon, fishery, timber, mining, trapping had all gone down hill. And I felt with our tiny population and first our ability to finance and administer were very dicey. And I said that with our small population virtually any idiot that aspired to public office is liable to achieve it. And a lot of folks subsequently have said yes and you proved (inaudible) on more than one occasion. I did not oppose it idealistic, but I also was affronted by the fact that you couldn't even look at such things as commonwealth status, which seemed to have some interesting aspects worthy of examination, but the very suggestion of looking at alternatives branded you as a crackpot or communist or some sort of loathsome creature. And very few openly opposed statehood. It was kind of the kiss of death to do so.

But one time I had an interesting experience subsequent to my service in the legislature when a number of us were standing around some unanticipated expenditure had crawled out from the rocks and there were eight legislators there. And one guy said huh, we almost went bankrupt the first - more people left the State than arrived by any other means other than the birth canal and the economy was going downhill badly. We were on the edge of bankruptcy and something as I saw crawled out of the woodwork unanticipated and some guy said well I never really was too hot on this statehood business and the other guy says no neither was I and matter of fact I voted against it. Six out of the eight legislators voted against it. But I was the only one stupid enough to publicly announce it.

Now was it a mistake, no. I was wrong. We did have and do have the ability to finance and administer, but the jury is still out as to whether we've succeeded in doing so. Much will depend on how we resolve this fiscal gap issue. If it goes away, I and people like

Tillion and Halford and numbers of others believe it should, man we've got a wonderful future in this State, but if they screw it up which I fear they may well do, we will do nothing but further encourage what I call uneconomic development. That is development does not pay its way. Why do we have a fiscal gap? Because we have not extracted enough from new development to generate revenues to offset the cost of service provider. Either that or we spent so much money that we can't meet our obligations once they're in place. To correct that there is a means of dealing with this fiscal gap, including this so-called endowment that could resolve that issue in a manner that two years from now in my view nobody will even be talking about it. But it is going to require massive change of thinking on the part of the politicians. The public is with us. The public is with us. They don't realize it but the majority of the public will only support an endowment which one bulletproofs inflation proving and assures them that their dividend will be no less than it would have been under the existing status quo formula.

There is a way of doing that in a manner which can actually increase dividends for those folks who most need it, won't take a penny of earned income from Alaskans, resolve the fiscal gap, re-establish a proper longevity bonus, reduce the magnetic attraction of those folks who come up here. Many people are opposed to the dividend because they think it attracts a number of freeloaders. It does literally 20 desirable things that I have bounced on people; the most recently Rick Halford said punch holes in it. Tell me one of those things this approach would not do. Rick is a very bright guy and if anybody can find holes in it he can do it, but while we went through it he didn't. Clint is in accord. If I can only persuade the Governor to go this route, he will go down as a hero. He'll go out in a blaze of glory. And if he goes the way I fear this conference they recommend, unless they're persuaded otherwise he'll go down in flames. And it's an issue that I feel as you might suspect somewhat passionate about.

Ter: Well what's the how are we on time?

Man: We have got about five minutes yet.

Ter: Four, okay. Oh this is fascinating Jay. What do you think in the sort of fears of bankruptcy like you say there really was no economic development on the horizon because fishing had collapsed, was doing down even worse, right? I mean terrible years I guess and that the pulp was maybe something, but that was not. So really did oil figure into any calculations at all and what did occur to you? What would you know -

Ham: Not the first years of statehood. Oil hadn't even peaked over the horizon. The - I -

Ter: Well then put it this way. Could you ever imagine something the size of Prudhoe Bay, I mean -

Ham: No, no. Nobody even had that vision. And when the leases were sold in Prudhoe Bay, I remember there were all sort of speculation. I think they had a pool as I recall or maybe we just recorded our predictions as to how much the leases would bring in and I, following an old practice of mine to take the most outrageous extreme position knowing

full well that if you're in accord with the public presumption nobody is going to pay any attention, end up right, but certainly you go. For example, I predicted, believe it or not, Truman's win over Dewey when everybody was saying that of course Truman - I said you watch. I predicted the Jets win when Joe Namath won and three or four things. Only because it was the most outrageous un-improbable presumption. I did the same thing in Prudhoe Bay prediction, the revenues we'd acquire and fell flat on my face. I predicted 900,000 or not 900,000, no nine million. That's what it was and of course it was 900. So it doesn't always work, but people - they pay attention when you come up with so what can I predict now that's an improbable, but -

Ter: So resources of that size, which is what made a (inaudible) of a state, where it went and unpredictable, right? I mean well unforeseeable?

Ham: Well they were and immediately my intent - one of the reasons that I was not totally unhappy or (inaudible) when I was elected Governor and you know history I won't recount that, I had not any frankly any desire to become Governor at a time when the state was split on several issues along different fracture lines. The pro-development and the development, land claims issue, pipeline, so forth and so on, but I did see a potential for doing something that I failed to do in Bristol Bay and that is creating a stockholder owned if you will investment account that spun off dividends using as the basis our resource wealth that in my view belongs to the people.

And I tried to do in Bristol Bay, was successful in establishing quote what you might call a permanent fund but they didn't append the dividend program to it. And as a consequence as I fear will happen to the State if they somehow damage the dividend program, which is the major protector against invasion and dissolution of that fund, it went out the window. They ultimately spent their \$12M permanent fund on a swimming pool in Bristol Bay or Naknek and now they're broke. They have 41 homes for sale and people are fleeing like rats from a sinking ship in many instances.

And the State I fear will experience exactly the same thing where a successful in requiring the vote of the people before they can expend any of the corpus of the fund. But whose going to care if there is no dividend that is impacted one way or the other by what they do and the question arises, all right now we need a billion dollars to balance the books. Shall we take it from that \$27, \$28 billion dollar fund or impose an income tax? You know what the people will say, of course not. So there has to be some means of stopping that and the people I think you know a lot of people say, huh, terrible the public has suddenly assumed that this is the permanent dividend fund, outrageous. They better recognize that's exactly the way the public perceives it and play to that in this manner.

Okay, we're going to give you your dividends, we'll expand them but you got to understand we are going to take them back through various mechanisms, user fees, taxes and the best that I have been able to conjure up or perceive is a capped income tax that would never take a penny of your earned income, but capped income tax, capped removed only by a vote of the people. The big argument against an income tax of course it takes my hard-earned income and redistributes it. Doesn't do it if it takes your -

Ter: Dividend.

Ham: A bonus is given to you by your state for your ownership share. It does not penalize productivity in any way, shape, or form. And if we did that we might have on paper what appears to be one of the highest income taxes in the nature, most Alaskans would pay nothing. And it would - but you have to then do something to dissuade people from coming up here attracted by that big dividend. So it's a three-part deal. You do an endowment that generates nothing the dividend dollars, you put in place a feature that would what I call demagnetize the attraction and also provide for a mechanism to call all those moneys back, which could span those things alone could span the entire fiscal gap right now, right now.

Man: We have to change tapes.

Ter: There's a famous story of James Wickersham that he gave a speech that was eight hours long you know. I think you and he -

Ham: Everywhere I go, yeah, that's the way. Four or five years ago I first mentioned that and it was oh, hum, nobody ever picks up on it. Terrible. And I see people do such things as this limited entry, which they did all along in my view. They put it in the constitution. They have a little (inaudible), I'd never have the audacity to try to sell it, much less the capability of selling it. And other people will go out and sell something-outrageous package like that with no problem at all what - I don't know. It's not very encouraging.

Ter: But you know but you were successful in - maybe it was an easier sell back in '76 with the amendment for the permanent fund because there was so much potential money on the table but still remember there was a lot of opposition to it nonetheless.

Ham: Yeah.

Ter: Of the people who wanted and the whole invest all that in Alaska, that kind and what a catastrophe that would have been you know.

Ham: Oh, Sumner, Holman, one put out, no interest loans, spur development, create jobs, you talk about spurring the uneconomic development, anyhow.

Ter: That's one thing too I always thought that it was Alner's idea, he always said well look the whole thing is a permanent fund. It's sort of what you said you got to think of all the 150 billion, all the oil money or 50 or whatever we get and we spent 75 percent of it. What do you mean we didn't invest in Alaska? We spent -

Ham: Hey, you know Roger Cremo, you know who he is? Roger Cremo was counseling Keith Miller when we got the 900 million to put - I think to put all of it in I think, yeah, put all of it the permanent - he didn't call it the permanent fund. That word hadn't even been bantered about. And a handful of us supported that concept - Tillion, myself, I don't

remember who. I think maybe CR Lewis even, I'm not sure. But Miller tried to put half of it, didn't have any dividend - half of it went down in flames.

Then when the 900 million was in view of the public dissipated, it really wasn't. What it went out in primarily is revenue sharing that reduced the local tax burden, but because people didn't see concrete and steel they didn't think they got anything out of it. And the assertion was made by many in the legislature well if we ever have another windfall we won't blow that. We'll put it into an investment account and live off the earnings.

And of course when we hit oil that all went out the window. I wanted to put literally four times as much money. I would have loved to put all of it in, but I realized we'd be lucky to get any of it into a permanent fund. So I proposed half (tape skip) bonuses, royalties, and severance taxes. The legislature cut out severance taxes and automatically reduced the input by half and cut the 50 percent to 25 percent, which cut it again. So one-quarter of what I proposed went in. And we did get something and we did get a dividend program but then it got what I call zovolized which totally distorted and abused it into the degree where I even thought about after the Supreme Court decision, I very briefly thought about vetoing the bill. But then I concluded it was far better than nothing and - but I refused to sign the - I'm the only governor that has never signed their permanent fund dividend check. I don't know if you know that. I had my commissioner of administration sign them.

Governor Murkowski the other month or two ago said something about one thing Hammond and I both were delighted to do is sign permanent fund dividend checks. I didn't sign them. I was that disgusted in the manner in which it went. So -

Ter: Well okay let's talk a little bit about in those early years in the legislature. What were some of the - do you remember any of the financial problems that you faced, because that '59 through '65, is that what you were in, '64?

Ham: I thought you were going to say just major issues.

Ter: Oh, major issues, let's talk about that, yeah.

Ham: Well major issue and concern of mine was frankly the management of Fish and Game and I felt that so-called Section 26 board for both education and fish and game were appropriate. Section 26 board refers to an area of the constitution that says that the head of department may either be a commissioner or a board appointed by the governor, who in turn selects the commissioner. And I felt both Fish and Game and Education warranted continuity of program that would be disrupted through the normal process of political appointees. You get in place certain procedures and philosophies only to have it disrupted without giving them time to mature and work or fail as the case may be. And I crossed swords with Bill Eagan on that issue several times during the first years in office.

And finally my major concern frankly was Fish and Game, but ended up we got the 26 board for education, which I think has worked quite well. And we got kind of a half-



breed sort of thing for Fish and Game. So that was the big contention that I had with Governor Eagan, who prescribed to a so-called public administration service approach which had been recommended to the constitutional convention that had an idealistic situation where you would have in an area a single individual who would wear several hats. He'd be a game warden, a policeman, handling ombudsman, you name it. Well it was totally unworkable in my view and I think so concluded by the remainder of the legislature.

But as far as financial, just funding anything was a real, real problem. As it was when I first went into office a lot of people don't realize that in my first four years in office we spent less money than Bill Sheffield's first term all together my first five years in office. Now of course we had the money and in my last years of office we spent much, too much and the only reason why I didn't veto more than I did out of some of the legislative proposals, which one year incidentally came - if all the legislation that had been introduced passed came according to Chuck Cleshoal. He was my walking computer, 18 billion dollars worth of appropriations. Now mercifully most of them never saw the light of day but of those which passed I vetoed a billion six million, which again according to Cleshoal is more than any probably all the other governors combined. And we still spent too much. Why - because we couldn't put as much as I would have liked to put into the permanent fund. In order to get any permanent fund we had to let them spend some, save some, and invest some. If we tried to invest it all, we'd never have gotten anywhere.

Ter: But do you think what about the issue of the income tax back then, because I was reminding you when you were back in '79 you had this proposal you called it an energy dividend at that time and it was called - you called it the Alaska - were you calling it Alaska, Inc., was that your opinion?

Ham: Well Alaska, Inc. was - when I was campaigning for governor I tried to promote the idea of Alaska, Inc., which was a shareholder owned investment account and spun off dividends. Every Alaskan would receive a share - I wanted to actually issue shares of stock and each year you'd accumulate another share and you would earn more dividends. And when I became governor I formed what I called the Alaska Public Forum, primarily to showcase that throughout the state. And I went throughout the State arguing in behalf of that approach and the public response was a massive yawn. There was no interest in there at all. Crackpot idea, crazy.

Just got a letter from my ex-deputy commissioner who sent me an article from the Wall Street Journal advocating exactly what I was talking about earlier. We put all the money into investment account. It spins off only dividends. Man I wish that gentleman who wrote is a Nobel prize winning economist was around back in those days. It would have had a little more credibility in the concept.

Anyhow I got nowhere with it, but this fellow in my administration said when you proposed that I thought it was kind of whimsical, quaint, and so forth, but wow, see what involved into. That was one of the things I had hoped to do when I first got into office

and I introduced Alaska, Inc., which was a bill that did precisely that. And it didn't put all the money. It recommended as I say three times as much as and dividend appended to it.

Well there were a few people in the legislature that saw the wisdom of taking some of the money off the legislature smorgasbord and put it into an investment account. And among them primarily were people like Oral Freeman and of course Hugh Malone and Clark Gruening, and Terry Gardner and a number of people in the legislature, Chancey Croft. And they discarded the name Alaska, Inc. And put out their own deal, which they called the Alaska Permanent Fund, had no dividend appended to it.

And I remember Johnny Sackett came up to my office. He was not favorable disposed at that time to the whole concept I don't believe, as many politicians are not because if they don't have the money to spend they have to extract it back in some form or cut budgets. So naturally it is not very popular with those in the legislature. But he came up and he kind of growled in my ear and he said that's nothing more than that permanent fund - that's nothing more than your dam Alaska, Inc. I said on the contrary John it is nowhere near Alaska, Inc. It has no dividend and it by no means permanent in my view because statutorily constructed fund will be invaded the minute they need money. It has to go in the constitution.

So then we wrote a bill that put it in the constitution requiring a vote of the people before they could touch (inaudible). But I thought about trying to put dividends in the constitution, but I was biting off much to much. I knew it would never fly with that. Now we are back full circle though. And it should go in the constitution and it is one of the things this amendment PMOW amendment must incorporate in my view for it to pass public scrutiny, public muster.

Anyhow it did go on the ballot. The people to their great credit voted it in. Then we have to fight to get the dividend. And the dividend that first went into place unfortunately where I made my mistake was to presume that why shouldn't the old-timers that have owned "those resources" since statehood in '59 get one share of stock for each year their residency just like the new timers will get them for their share of ownership. That's where it fell down. A couple of new comers came up here and concluded that they would not get as much as the old-timers would initially. Although in the long term ironically in the long term the old-timer for example we arbitrarily set the value of the dividend at \$50. So 21 years before that bill went into affect would have accrued \$1,150 to every old-timer the first year whereas the new comer would only get 50 bucks. Outrageously discriminatory was their conclusion.

And while I admire folk that have courage in their conviction to tackle an unpopular issue, it would have had a little bit nobility had there been equally - had they been equally distraught over the fact that they as federal employees received a 25 percent cost of living differential tax free not accorded to all other Alaskans, but somehow that was shuffled over.

Anyhow they failed in the State Supreme Court that supported our position and Justice Rabinowitz at the time said have you gone prospected. You should share as a thought earning dividends into the future rather than in retrospectively. No problem. That subsequently was repeated by other attorneys as recently as a couple of months ago. Chancey Croft told me that and Adam Grosch, both I think (inaudible) to be rather fine legal minds when it comes to things of that nature, constitutional law.

But there are other ways of doing clearly, clearly legally. I think I mentioned before what we could do and what we should do we announce this year this is the last time for the foreseeable future anybody can qualify for the permanent fund dividend. Let's call it dividend A. Open the door everybody has to have the chance to come in and qualify. Then we close the door after next year and we don't know when we're going to issue dividend B. It may be when the permanent fund grows by a certain percentage, but -

### **Side B of Tape**

Ham: (Inaudible) permanent fund market value and that is dividend B. Old-timers get dividend A and B. New timers only B and so far into the future. You do that you have eliminated the magnetic attraction of many people think have lured a bunch of freeloaders up here. And embarked on a program that I think gets back to my original intent I hear people say well original intent of permanent funds rainy day account. Bull feathers. That word was never even mentioned back then to my knowledge. Why would we call it permanent fund? The CBR is what the rainy day account is. And look how it's being treated. You're obliged by law theoretically to repay any moneys loaned from the permanent fund. Since no dividend appends to it, who cares. Nobody pays any intention. It is going down and down and down, but if your dividend went down at the same time the way those people spent that money, the public would rise up in outrage. That's why you have to have a dividend program to protect the permanent fund.

Ter: Now Jay let me interrupt you there. What about though the issue and this is the one thing where I think - this is the one thing where I think that it went all wrong was the repeal of income tax. And so let's talk about that because the thing is you said in 1979, I remember by the way in 1976 I read one speech where you said you know I can give you 900 million reasons to vote for the permanent fund. That was one of your speeches. I was like great line. But that in '79 you spoke to the Fairbanks Chamber of Commerce and that was this energy credit. I forget now how you were phrasing it and the idea was.

Ham: Okay.

Ter: That it is kind of you're back to that idea. And that I think is important that it is the dividend is not just a one way street.

Ham: Yeah.

Ter: There has to be some you know like an air exchanger. You can't just use up all the air inside you know. So let's talk about that.

Ham: I think I know what you're -

Ter: You proposed an energy tax credit. You said somehow you get a cut off your income tax. I don't know if you remember that.

Man: Do you want to divide it into the issue of income tax.

Ham: I know what you're talking about. The - I had pondered how to distribute benefits from the earnings of the permanent fund. And I thought what is it everybody needs, everybody has to have food, shelter, power generation, probably gasoline and so forth. Maybe we ought to parcel these dollars out in some form of health insurance or some universally required (inaudible). But then I thought wait a minute you know your needs are different than his, than hers, and so forth. The easiest way to do it is just give everybody the wherewithal to select for themselves how to do it.

What I think we had another incidence of a dividend program that many people forgot about. The permanent fund dividend program was not the first one. The first one related to something I don't know if you remember? I think you do, but if you do, you're probably one of no more than the fingers on one hand. It related to gas, a gas tax. We had a severance tax on gas that I think was half the national average on natural gas. And there were suggestions that the gas tax be raised to at least the national average because while some of the gas was being utilized here in Alaska, most of it went to Asia as I recall at that time. Why was the severance tax kept so low? It was to accommodate the prime users here in Anchorage. And when I suggested we double the gas price, the Anchorage legislators came out of the woodwork to say that is outrageous. We can't support that it would affect our constituents.

What it would do according to the records was raise the average gas consuming family in Anchorage by \$19. That was all. And in order to prevent that from impacting them, we were subsidizing in essence the Japanese as well.

So I drew up something that I called, it was kind of an offer they couldn't refuse. I tried to do the same thing at Bristol Bay when they would not support the dividend concept. I said okay if you vote this tax in we'll give you 100 percent residential property tax exemption. They had voted to tax it. Okay, so I thought well wait a minute why don't we do this. Why don't we raise the gas tax up to the national average, which I think was double, we will then give everybody in the state, not just the Anchorage gas user. Why shouldn't the people in Fairbanks or Ketchikan, Juneau, Barrow get the same sort of benefit. We'll give everybody a \$150 credit against their income tax.

Now what happened is we raised the gas tax. We got seven million more dollars in revenue. Five million went out in the \$150 credit. I found almost nobody ever heard of it. Had they received \$150 check in the mail, yeah, what's this for? They would have paid some attention.

That's when I became determined rather than giving credits and all these types of things other than the direct distribution of cash is the way to go. So I abandoned the whole thought of health insurance or power deals, but that was our first - that was our very first dividend check. And that occurred, gosh I don't remember, long before the permanent fund was created. But anyhow I think that's what you're talking about.

Ter: It is part of it and I think but this thing was that you see before the income tax went away, see this is -

Ham: Oh, yeah -

Ter: The problem that I feel is that and maybe you should talk about that -

Ham: Yeah.

Ter: Because I really think that.

Ham: I'd like to do that.

Ter: That's the best - I think - wish you would have vetoed that income tax repeal. But let's tell the story about that.

Ham: The income - when it was proposed that the income tax be repealed, the legislature of course was almost unanimously aboard. I think only one other person than Clint Tillion. Clint Tillion opposed repeal, somebody else, who neither Clint nor I could remember who it was. But I remember arguing before the Chambers of Commerce at both in Anchorage and Fairbanks. I said you people condemn us for living beyond our means. Now how do you correct that? You either reduce your living or you increase your means. You repeal the income tax you'll do just the opposite. You'll not only reduce your means, but you'll cut the major constraint on spending. You'll sever the connection between the public's purse and the politicians. And spending will soar into the stratosphere.

Oh, no, and somebody came to me - so we - I said suspend it, reduce it, but don't eliminate it. So Michael Coletta, Clint Tillion, and I conjured up a bill that would have in essence suspended it in this manner. It said the first year you pay three-thirds of your income tax. The next year two-thirds, the next year one-third, and then it is suspended for you. So newcomers, pipeline transient workers, so forth would pay the full rate but then it would gradually decline. And some news reporter came to me and said well what will you do if the court strikes that down? Will you permit the income tax to become law? And I had said at the time repeatedly I thought repeal of income tax was downright stupid. Well it wasn't a very popular (inaudible) as you may recall.

And I said suspend it, reduce it, but don't take it off the books. Your spending will soar into the stratosphere. Anyhow they said well will you permit it to become law if it - your bill is struck down? I had no idea the court would strike ours down. I still don't

understand the rationale for it. Maybe if we'd had a simple suspension instead of this one, two, three, and out. But anyhow they did strike it down.

Well now mind you there was a petition overwhelmingly subscribed to by thousands of Alaskans to repeal the income tax. Legislature was all but two wanted to do so. And they asked me are you going to veto it now? And I said well, you know I'd like to but on the other hand nobody would delight more than jabbing that veto down my throat than the legislature and I'd probably be recalled by the public salivating over repeal of the income tax. And then they said - people said well now you said you'd let it become law if - well I didn't really say that. I said I might as well because these other things would occur. Again I didn't have guts enough to veto it anyhow, which I should have done. I'd probably never have served another four years, but I would have slept better. But I think many people recognized - well, most - probably most Alaskans now think it was a good idea to repeal the income tax. Terrible idea. We wouldn't have the fiscal gap. We wouldn't have spent anywhere near the amounts of money we had and no Alaskan would be paying any more than what he is getting in the dividend or almost none of it.

But the fat cats quite frankly who of course would pay a lot more unless that income tax were capped were delighted to see a repeal of it and will fight to the death to keep it off the books if possible. And in the process you know they would take from the destitute working welfare mother, they'd take their dividend check before they would pay a nickel in income tax. And brother it ain't right. Anything I can do to avoid it and I think there area a lot of people are starting to recognize that. Again, it doesn't mean that we're going to bleed the fat cats white. If you put a cap on it, they're not losing anything more than their dividends. They got no complaint.

Ter: Well you know I think that's a good (inaudible), Jay. I agree with you, but at the time there was no doubt it would have been - you would have been buried in a tidal wave. I still wish you would have vetoed it because Butrovich is the one who said this even to he said you know this is the worse thing possible and I think that - I think the worst thing possible back then wasn't so much the four billion dollar budget, it was that income tax.

Ham: Oh, I agree with you.

Ter: That was the single one -

Ham: I agree with you.

Ter: Terrible mistake because -

Ham: I think Butrovich would probably over the guy and Tillion. Tillion said remember it was Butrovich.

Ter: But I don't remember if he was still in by then. I can't remember.

Ham: I'm not so sure. I don't think he was.

Ter: But he was definitely -

Ham: He told me the same thing.

Ter: Yeah.

Ham: He said the worst thing we could do is veto - or is to get rid of. We had a terrible time. Nobody was re-elected, but look what happened to the crew that suggested a modest income tax a few years ago. They (inaudible) all got wiped out.

Ter: Right, but you know.

Ham: Or chose not to run.

Ter: Exactly, Jay, but I think that the thing is that from looking and I'll send you this report I did on this. I looked a lot up in 1949 income tax passage because it took Gruening eight years to pass that and Butrovich would have been one of the only few guys still who had been - who had served that long and maybe the only one. And that was 40 percent of territorial revenue from 1950 and I don't know when you came in what - do you remember what the percentage of income tax -

Ham: I came in '59.

Ter: No, no, but when you came into as governor, do you remember - I don't remember what the income tax percentage was?

Ham: Oh, percentage?

Ter: Yeah.

Ham: I think it seemed - somehow 17 percent comes to my mind.

Ter: Is that right?

Ham: Seventeen percent of - I don't remember -

Ter: But there was a great deal - there was a great increase in oil lease stuff, but you said in one speech you know all of us are freeloaders in a way because of the ratio of what the state was spending. Maybe you want to say something about that.

Ham: Well you know I find it a little ironic that those prime advocates of income tax repeal frequently are those most opposed to the dividend program asserting that it lures freeloaders up here and so forth. My heavens the freeloading we get because of repeal of the income tax outweighs the freeloading you get from dividends tenfold; 87-½ percent of our oil revenue goes out in what I call dove (?) government dividends, hidden

dividends, hidden dividends that affect you differently than he, than she, than him. And I never hear them complaining about that being an attraction that brings folk up here. To me the best way to remedy that sort of thing not to take from the one program that equitably distributes our oil benefits to shift money from it as some of these people would do with the type of endowment they would have to ship money from the equitably distributed program into the inequitably distributed programs that affect different people different. We should do exactly the opposite as Vernon Smith suggested. Cremo suggested. I suggested. Tillion and Halford. Take the money out of the pot the legislature can spend - we should put the 87-½ percent into the permanent fund and the 12-½ percent instead of vice a versa if anything. But they are so, so scared of an income tax and so determined to not pay anything directly that they'll kill the dividend. And in the process if they kill the dividend, even if they pass the 50/50 split of this endowment, five years from now everybody will receive roughly \$600 less in dividend. Has exactly the same effect as imposing a flat income tax on every Alaskan and only Alaskan. The most outrageous income tax imaginable is the reversibly graduated income tax that takes more of these less money you make takes a greater percentage.

Ter: Oliver North before he was testifying for one of those Iran Contra Committees he said they did a Major David dump. I don't know what that means exactly.

Ham: A major what?

Ter: David dump, you know, sounds like using the outhouse but I don't know. It's like we giving an election or speech. Jay, do you go much in the economic, I mean the Chamber of Commerce, do you ever do that kind of stuff, I guess you probably don't much around?

Ham: Kodiak recently. I've been to a lot of speaking engagements, not the Chamber. The Chamber avoids me. They're the ones that ought to be hearing some of this stuff perhaps more than anybody else.

Ter: You know I think, yeah, they ought to.

Ham: If you can set it up the Fairbanks Chamber, I'll go.

Ter: All right, all right I'll do that.

Ham: They'll have to pay my way. It cost me 500 bucks every time I come to town.

Ter: I'll do that, actually I will call them.

Ham: If you want to I'd be glad to.

Ter: Yeah, yeah.



Ham: Because whatever we do is going to require widespread education and so I'm accepting a lot more than I would normally do because I think this is an absolutely crucial point in the state's history that can send us one way or the other. And I want to go down fighting at least.

Ter: Okay. All right. I will do that.

Ham: If you want to do that.

Ter: Yeah cause you'd be back after the end of February?

Ham: I'll be back at the end of February.

Ter: Okay.

Ham: About the 28<sup>th</sup> of February I'll be back but maybe some time in March.

Ter: Okay, all right, all right. Because maybe if you come up if we think- cause we're going to think of other stuff. We might even want to nab you and talk to a little bit in Fairbanks.

Ham: Sure, sure.

Ter: So we might do that. What the hell did I - I want to ask you about 1974 and that campaign cause it is very improbable in a way isn't it I mean you know Hickel.

Ham: It was.

Ter: Running against Hickel and Egan, right? I mean the two.

Ham: I was running against Hickel, Egan, and then Miller, all three of the governors and I had no business winning. I had no fear of winning. I frankly had no aspirations to win to be quite frank. I had a good life on the outside of politics and I recognized that whoever was governor in the coming years was going to be confronted with several major very divisive issues, but I was happy to have the opportunity to sound off on what I thought were key and important issues and since I didn't really care whether I won I could say anything I wanted to and I very much liked that. And oddly enough as old Jake Kurtula, who was a constant politician who understands these things much better than I, he assumed somehow that I'm the most brilliant political mind he'd ever encounters said Hammond you do things that should be politically suicidal and they seem to turn around and accrue to your benefit. He was convinced that I carefully orchestrated and calculated what (inaudible). If he had any idea of what dumb luck went into everything I did. Nothing I planned to do in politics worked out. I really, as you are perhaps are one of the few who understand, I really didn't want to win. And I have to confess election night was one of the most miserable nights of my life. It felt like prison doors were clanging shut behind me. And I had - I felt like a monstrous fraud because here my campaign people who were working so hard on my behalf, I'd surge ahead a little bit and I'd have to show elation

when I ah no. Then I'd fall behind and I'd feel better about it, not a chance of winning and they'd be of course down in the dumps and I was just the opposite.

And I remember feeling - my first year or two in office I was a lousy governor. Lot of folk would say a lot more than that, but I felt sorry for myself and I was miserable in that job. To have to wear a necktie and go to the office every day and I had a very freewheeling lifestyle prior to that. And I knew what we were going to be confronted with, terrible controversy and certainly were. But the main thing was it was debilitating to - if you have the fire in the belly, the desire for the prominence and prestige and power and so forth, that's one thing, but I didn't have any of these things going for me, nothing that meant much to me. As a consequence taking all that guff and grief that went with it were pretty hard to do. But mainly because I felt sorry for myself - despicable. I had little respect, self-respect in life until I read an article - I felt like a monstrous fraud, perpetrated on the people of the state. And I remember reading something from one of the old philosophers, Aristotle or somebody, that said only he deserves to lead who just as soon would not. I thought well maybe it's not a cardinal sin not to have that fire in the belly and not to aspire to the prominence, prestige, and power that go along with the trappings of office. And things started to get better. Then I - things started shaping up and shaking down and I got some awfully good people that I could turn most of the chores over with and was at least wise enough to go by their counsel and select people who could all do their thing better I could have ever done it. Probably my thing as well, but you know.

Ter: Who - let's go - some of the - who would you pick out you know.

Ham: John Katz would be one of the first. I said about John Katz if I would have had my druthers I would run him through a duplicating machine and put him into about six slots in government, including my own. But he is not alone.

I had some wonderful people working for me and they became like family. One of the reasons - I had not intended to run for more than one term. I almost announced I was only going to run for one term and even my wife said, nah, don't do that because you never know. You may change your mind. And had I gone out in '78 I would have gone out with a whimper. The permanent fund was shaped up right and the dividend program and a lot - the public perception was as I say 40 percent, 43 percent approval rating versus the two - four years later.

So I'm glad I stuck around for the second four years. And it became kind of fun, twisting the legislative tail and you can move and shake you know. They talk about lame duck being emasculated, you can move and shake in that second term so much better and without the distortions of what you're up to that are now incumbent upon those who want to run against you, the newspapers may against you, why bother? They can afford to look at what you're really up to and why, they don't have to put their own spin on it to make you look bad you're not going to be there anyhow. That's where the big difference is and I started to enjoy the second term and maybe when you start enjoying it, it is the proper time to get out.

People ask me would you consider running again and I said only if I had total dictatorial powers. I don't know if you ever saw the list of requirements that would be necessary for me to consider running again. An AP reporter asked me one time - would you ever consider running again? And I said, well, I suppose under certain conditions and he said what are those? And I said you got a pencil I said. Well, first I'd - Wally Hickel would have to agree to be my Lieutenant Governor. Bob Atfield or Bob Atwood would have to agree to be my Press Secretary. Jesse Carr would have to agree to be my Commissioner of Labor. Tom Fink would have to agree to donate a million dollars to my campaign. The polls would have to show I had 99.44 public support. Number five, the legislature would have to grant me total dictatorial powers on the passage of my programs. Let them counsel me, but for heavens sake not muck around with them. And number seven my wife would have to agree not to leave me. He writes all this stuff down. Lo and behold a few days later it's in the paper. Hammond to consider running again. I got literally - I got checks in the mail and letters from people, man go I'm with you. And actually I did, I got two checks from people. They hadn't read all this ridiculous stuff underneath. But I said thank heavens Tom Fink never came up with a million dollars so I'm not committed. I'm like some of these other things people say - you said.

Anyhow I got in - I had no business winning. I could run under today's circumstances. People ask me what you spent on your campaign. What I contributed my own campaign. Nothing. I contributed a thousand dollars for one campaign and recouped it when I got - from return - I'm a little embarrassed and ashamed some of these people say well you do what your campaign was worth. You weren't willing to contribute but still - you have probably heard this story about I went to a fundraiser or allegedly a fundraiser. I was sent to one and I was supposed to ask people for money. I said ah, the last thing in the world I could do is ask people for money. I'd rather wrestle naked on the courthouse lawn at high noon than ask anybody for money. And some guy in the audience says Hammond I wouldn't give you a nickel to your campaign but I'll pay fifty bucks for a ringside seat at the courthouse. Well I never found any worthy or willing opponent so fortunately I never had to fulfill that commitment.

But I've you know I've - when I ran the first time, I said I'm not spending a nickel of my own money, this is ridiculous not a chance of winning. And as you may or may not know I was conned into running because of a call from Ron Sommerville. Are you familiar with this story? Oh, you're not.

Ron Sommerville was a biologist, Fish and Game Department. I didn't know Ron very well, but I was weathered in down in Naknek with one of my clients fisherman. And I got this phone call and picked it up and Ron Sommerville. He said a few of us sitting around think you ought to run for governor. By the time I stopped laughing I said to him Ron, I'm not at all interested in bleeding myself white financially for the privilege of saying I ran unsuccessfully for governor. Forget it. And he said and he got to talking further and he said well would you consider if we put together a campaign organization and came up with some funding? I said well that's the only way I'd ever consider it. He hung up.

I had a fisherman from California, very wealthy guy there. He said hey if you run you got a thousand-dollar check in the mail right now. I said forget it. That's a check you'll never have to write. Two weeks later Ron called me up and he said okay, we got an organization put together. We got some funds committed and you said - wait a minute. In his mind again consideration translated into commitment. And I argued against I said I never said I'd run if you'd do that. He said well will you come in and at least talk to us in town here.

So the next time I flew into town I met with my campaign organization, all six of them. I don't even remember who they were. I think Ab Gross, Ron, maybe Terry Gardiner, Clint Tillion, about six people. And I could tell that all of them had been told by Ron that I would run if they'd do these things. And again being a sucker and not having guts enough to say, hey, I never promised and turning my back on it, I knew they'd all leave there thinking I had broken a commitment. So when I found what we had in the bank committed in the way of funds at that moment \$800 I agreed to run. Thinking well I'll run for a week and I'd go back to the hills where I belong.

And now they had said they would commit more money if I'd agree, but at that time I think it was \$800 that was all that was in the kitty. And so I don't remember what I did. I remember one thing I didn't mind doing campaigning was going around beating on doors. Give me some exercise and I've always been kind of a physical fitness buff and that I didn't mind doing.

But I had the briefest campaign pitch you can imagine. I'd go to the door, had a little flyer. I'd say hello I'm Jay Hammond I'm running for governor and I wonder if I could leave you this. That's it. Usually they'd nod and say yes and I left on a positive note.

But where I thought - and I had no idea of winning this thing. This is ridiculous and the response of people when I'd go around the community. Who is this bearded yahoo that has the audacity to run against Wally Hickel and Bill Egan and then Terry Miller and so forth.

Ter: Was it Keith?

Ham: Not Terry Miller, I mean Keith Miller.

Ter: Keith, yeah.

Ham: But they were indulgent. Then it started to change. When Hickel and Atwood and Carr came up bombing me. I had more people tell me I don't know anything about you but anybody that has got all those guys against him can't be all bad. So I subsequently thanked them later when I became more comfortable with this for playing the key role in my election. But it was - you could sense the change. You could just feel it shifting. And I walked into a store one day and a guy looked up and he said, hey, you got my vote. I saw you on television. Let me tell you any guy that has got guts enough to wear a beard and run for governor has got to be different. Unlike these other guys who are clean

shaven and try to convey the impression of honesty and integrity and we know they're crooks.

Anyhow I sensed the change and I knew I was going to win the primary. A lot of people talk about Hickel, me beating Hickel by a very small margin, but they forget that in the primary I beat Hickel by a wholopping margin that time.

Then, but I still wasn't fearful of winning, even though the polls initially, what happened is when I came out of the primary with a potential winner the pools showed that very close Bill Egan who I thought, shoot, I've no chance of bearing Bill Egan. But then - and then they came out with he and Red Bolcher came out with a charge that I was zero growth. Hammond will throw you all out of work and make the state into one huge national park, build a fence around it, throw away the key and zero growth clung out at me like a leech and phew - I plummeted in the polls.

Of course I didn't help the cause any. I went before the Chamber of Commerce one time. You may probably heard this story, maybe it's in my book, which I said - actually when I elected Senate President I had said I know there's some apprehension on the part of the business community of Hammond and now assuming the position of obvious degree of power in a conservation orientation the rumor is that Hammond if he had his druthers would put the whole state into a huge national park, build a fence around it and throw away the key. Absolutely ridiculous. You people in Anchorage have nothing whatsoever to worry about. In the first place your community is degenerated beneath acceptable eligibility requirements. Wow, you could imagine what they thought when I was selected governor.

Anyhow, so you know I did a lot that caused that attitude to prevail. But then I won just barely. You know they had three recounts. The first recount had Egan very substantially ahead or was it vice a versa. No, I think I was ahead. And then they had recount to cut my lead in half. Then they had another recount and cut it in half again and then they had the third recount where I won by only 227 votes. That was it. Yeah.

And there I am and I'll tell you I heard those prison doors clang. I was miserable the first two years. I hated it. I hated it. And worked like a dog. Kind of like Jimmy Carter. I tried to keep on top of everything and I burned the midnight oil, never took any time off. Worked weekends and Sundays and I hated it. And of course those first four years were tough.

You talk about fiscal gap. A lot of people don't understand that. The governor made reference to it in his state of the state speech. He didn't attribute to which governor he was referring but if you recall he said something to the effect that he had implied he had hired an agency to look at every state agency and counsel them on how to save money and how to cut costs and how to provide efficiencies. Says it hasn't happened in 27 years, first time in 27 years. We did it. I hired an outfit to do that and we cut millions and millions out of the state budget. And millions back then were a lot of money. But and my first four years we - I got Chuck Hawley to agree to a severance tax on minerals. He was

at that time - you know who Chuck Hawley is of course. And they agreed that they were going to have to pay a little bit more and fisheries I wanted - I doubled the fish tax on fisheries and proposed some other revenue generating devices and massive budget cuts. And then of course when oil came in that all went out the window. But oil didn't come in - wasn't even on the horizon until you know 1970 gave us the big 900 million but that was dissipated and many people think blown - it went in revenue sharing. So the people were benefited to the extent they didn't pay high local government taxes but they didn't see anything. And we didn't get the big windfall until after that.

Ter: Do you think and also you had D2.

Ham: D-2.

Ter: D-2 issue. You had the capitol move, well maybe the capitol move - okay.

Ham: Capitol move, D-2.

Ter: Yeah and he is going to change the reel here, Jay.

Man: Oh, battery change.

Ter: He has just got to change his battery, Jay.

Man: I knew something was up.

Ham: You guys are a glutton for punishment.

Ter: Well my - you got to tell me cause I wear these guys out I know so we can quit anytime so if you're -

Ham: No, might as well do what you can now.

Ter: Okay.

Ham: I don't mind. I don't really have anything scheduled today. I have a couple things tomorrow.

Ter: You want to get up and stretch your legs. Do you want to change -

Ham: No, no, they don't stretch.

Ter: Okay. What's the deal - can you move that ankle at all? That ankle is frozen, right?

Ham: This ankle is frozen, but this one - both my feet are numb, but the numbness started creeping up to here, some old aircraft problem early 40's, but this one started getting numb up to here. This leg has been numb for years ever since the accident.

Ter: So did the - in the accident back in the -

Ham: The (inaudible) in my back caused the neurological deal. It got aggravated when I broke my ankle, but this started to get numb, was getting to my knees and the VA said we don't know whether it will do you any good, make it better, but you're going to be in a wheelchair very shortly if you don't have a back operation. So I had a back operation maybe six years ago, I don't remember what it was and it didn't do me any better but it stopped the numbness.

Ter: Yeah, yeah.

Ham: But my major problem here stems from a burning and numbness that was created when I got cardioverted. Do you know what I mean by that - the paddles where they -

Ter: Oh, yeah, yeah, yeah.

Ham: And they didn't give me a blood thinner beforehand and I had a small spinal cord stroke and all sorts of stuff, not good, but (inaudible) I'm numb in many respect in burning. You take a line and draw it right down practical - don't get this on tape.

Ter: That's right, turn.

Ham: I don't want this - but that keeps the juices flowing and I kind of appreciate that. Where were we?

Ter: We were talking about -

Man: Chuck Hawley and taxes.

Ham: Powers in the constitution.

Ter: Oh, yeah powers of the constitution and particularly because of the fact that Egan was a mean after all hell he was president of the convention so you know I don't know if that played into this, but how do you figure out how the constitution is served Alaska and for your roles as former chief executive.

Ham: When it comes to the constitution like statehood I voted against the constitution for various reasons, one of them being it didn't clearly establish the sort of Fish and Game and educational hierarchy that I thought appropriate, although they go - they did make a provision for it but it wasn't stipulated. That was one of the reasons.

There were some others, but by and large I think the constitution was an excellent document. I find a little bemusing however when I was in the legislature I used to lament all the enormous powers accorded the governor. When I became governor I wondered where they had all gone. Somehow it didn't seem to be quite as adequate as I thought it

might be and I would have preferred a benign dictatorship. Of course we all think we - for example, I am convinced that if you could do some of the things that we have been talking about by executive fiat without the impediment of running it through the legislative process the state would be ever so much better off. And when you start thinking like that you better get out of public office.

But nevertheless the document does provide very significant powers and it does one other thing that's unique. Wally Hickel calls it the ownership state. I call it the ownership people. Not a great deal of distinction, except the matter of which we'd implement that. The constitution says in blessed it for - it says you shall manage your resources for the maximum benefit of its people. That means all its people. And my contention is there is only one program that meets that mandate with absolute equity and that's the dividend program. All the other state programs inequitably do not manage in the maximum benefit of all the people. They may maximum benefit for this group or that group or some other. The only one that gives us a hat to hang on to create a dividend program and a permanent fund is that provision in the constitution. Article VIII, Section 8A.

Ter: Jay, would you see - cause it seems to me anyway that the constitution has implicit in the natural resources article the idea of keeping for the residents, doesn't it? I mean it's the idea that we're not going to be exploited by outsiders, isn't that one of the big themes?

Ham: Absolutely. When it says you develop them for the maximum benefit of the people, that doesn't mean that we make sanctioned to oil or timber or coal or zinc or whatever. We get every penny we can possibly get. Are we getting it? No. And because of political constraints we won't get them, but we can move toward that by again creating this investment account spinning off dividends that will compel the legislature to look at these proposals and development projects and extract because the public will demand it. They'll extract from that greater amounts of wealth than they otherwise would do. To put it crudely as I did initially I wanted the dividend program to pick selectively, collectively against selective. The people that want to get maximized of course their particular interests will bleed off through various programs and subsidiaries, benefits from the state that adversely impact the collective interests of Alaskans. The only way you can counter that is to give Alaskans a collective interest that demands that we encourage only healthy development. And what is healthy development? That which is environmentally sound. You got enough laws on the books already and that can pay its own way plus a premium to all the citizens of the state. And until we get back on that track we're being shortchanged. And I see no better way of doing it than this POMV with a dividend attached to it and these other elements that I mentioned before. That will virtually demand that any new development we have pays its way. If it doesn't, people will turn their thumbs down on it.

Let me give you an example of how I - a lot of people think it was a failure on the part of the Hammond Administration, but it was one thing that clearly demonstrated what I'm talking about. Several environmentalists or not several but a few told me one time why are you talking economics now, economics of your vision for the future and all these quality of life things that we were so inspired by? I said because people who could care



less about the dickey birds will sit up and take notice if you tap their wallets. Prime example - Petco, remember that, Petco - Petco was a petrochemical proposal that would utilize, create a number of jobs but required according to those who evaluated it the companies that made proposals to use some of our royalty oil needed a discounted price in order to make it economically feasible.

And I said no, no, we're not going to sell our resources in any bargain basement. Oh, but it will create jobs and do all sorts of things. It will cost us money unless we extracting enough money to offset the cost of the services provided. One company came to us and said we can do it without any subsidiary. And I remember Mark Nalberry (?) who was representing another group and Bob Ward representing a third group, said they can't possibly do it without a subsidiary. I said but they say they can. So we'll commit only on the condition that they pay the market rate and if they can do it, fine. Well as I expected, in fact predicted, I didn't do it publicly except to a very few people. I said you watch in a year from now they'll come back to say well now we've got Alaskans working putting this thing together and we find we really can't do it without X dollars discount on the price of oil. Exactly what they did (break in sound) forget it and they folded. To me that was a perfect demonstration of what I talk about. Hold their feet to the fire and if they can meet the obligations to meet that constitutional mandate for the maximum benefit of the people so be it.

Another example, there is a proposal on the Kenai Peninsula to utilize some of our royalty oil, but it had to be discounted a dollar and a quarter a barrel, but it would provide jobs for I don't remember how many people. I don't remember what it was, but the number of jobs versus the discounting price for oil accounted for \$240,000 in state subsidiary per job. This is an issue that Wally Hickel and I were at opposite ends. He was all for it. Create jobs. That's a mantra of so many in politics. Man creates jobs for Alaskans. At what cost? They never bothered to figure the cost and with the income tax it can't be. Gone - there can't be anything other than cost under those conditions.

And of course I opposed it and it went down in flames. And those are but two examples of what I call unhealthy economic development proposals that probably would have flown had I not objected to them.

Ter: Like you call them uneconomic development, that's a good phrase.

Ham: Uneconomic development.

Ter: Yeah, yeah. Do you think then that you know looking - well I'll ask one more question.

Man: Do we have a couple more minutes?

Man: Make a reel change.

Ter: Okay. Let me ask you -

Man: I better stop.

Man: I think you need to swap it out before.

Ter: I was going to ask you - the other - one other big mandatory borough act when that came in from the legislators. So was yours the first borough is that right?

Ham: First one.

Ter: Yes, so maybe we should talk about that cause that you saw clearly the -

Man: Okay, we're going.

Ter: Okay, Jay we're talking about the local governance, the borough, the whole thing about. Now you told us that story already about in your minority report but what did you see in the fact that the borough, we should articulate that a little bit, cause that's - I think in retrospect one of the most controversial articles of the convention. Maybe one of the most bitterly divisive.

Ham: Well it certainly the borough act was one of the most controversial aspects of the constitution and it was sorely resisted by those in the legislature for a number of years after we became a state. And only when the mandatory borough act was passed that obligated people to assume certain functions and authorities and responsibilities and powers did it have any legs at all. I recognized in the borough the possibility to impose a sort of tax regimen that ultimately in the final end product yielded the permanent fund dividend program at the local level in Naknek using fish as the source of wealth and therefore supported the act.

But one of the provisions was that the legislature would act as the unorganized borough assembly therefore exercising the powers to extract taxes and revenues and things of that nature normally accorded to a local government. And of course the legislature has never and will never do that because it will affront whomever they impose their tax regimen on.

So that was one of the major deficiencies. I think again if we were to do something as Governor Hickel has suggested. One of the things this approach to resolving the fiscal gap might provide is that a portion of the moneys gleaned from taxing back your dividends be disbursed in Wally Hickel's community dividend approach. Now why that approach is better in my view to let the locals determine how to spend their money than having central government do it but there is another factor. If communities that are not now organized without any taxing authority are denied a community dividend because they have no governing entity, they are going to be much more inclined to see the wisdom of so organizing and acquiring those powers, which they then would have the wherewithal to exercise. Now you can't expect the community in rural area to organize or tax themselves. They don't have the wherewithal, but if they get the money through that process, the community dividend I think it would spur that.

Now of the problems with manner in which we handled the funding for that I wanted to promote to I think encourage the formulation of boroughs would work thusly. You're dredging all sorts of stuff out of the past that I haven't thought about for a long time, but one of the arguments against organizing the rural areas is they didn't have sufficient property tax base to generate the wealth. And it's certainly true. Other places like the North Slope Borough would have substantial properties but say a Bethel Borough would not. So my suggestion was this. Why don't we impose a say a three-percent property tax across the board? However, if you had property values in excess, if that three percent - boy - of your property values generated much less than required to fund your schools, the state would shell out the difference, but you have to impose it. Similarly if it generated much more the state would back off of its participation and let the locals do it. In other words, the North Slope Borough would get far less assistance from the state than would the Bethel borough. It is a little vague in my mind. I thought that way they would not have the argument that well we don't have enough property values to accord it. If you don't have it, then the state comes in and helps out more. In other words, a varicated system.

Well, like most of my proposals it didn't fly and of course as a consequence, not necessarily as a consequent, but we made it much more difficult for those people to see the desirability of organizing. I still think going back to something like that makes some sense, but I've got other things on my mind and they're too confused on issues before them to accept anything else on their platter.

Ter: I think that's right. Jay, do you - what about Gruening, how did you run crosswise with - how did you cross swords with Gruening?

Ham: Well I crossed swords with Ernest Gruening when I was Chairman of the Resource Committee in the House and a bill that he had introduced in the State Senate vicariously, I mean not vicariously but by request had passed the Senate unanimously I believe advocating appropriations of money to build Rampart Dam. And it read something like this - Whereas, the benefit to Rampart would do all these wonderful things and Whereas, these interminable studies had gone on and on should be terminated instead of appropriating more money for them - appropriate money to start the initial construction. Well it came into my committee and of course it was virtually unanimously supported by - I think unanimously in the Senate - came over to the house and I got it in my clutches in the Resource Committee. And I hung onto it and I hung onto, and hung onto it. The heat started building. The newspapers were thumping on me to bring it out and I remember Bogg and Baker and Binkley, the three B boys from - great guys and they came to me and said hey look we're getting killed because they don't understand you don't bolt bills out of the committee and would you please bring it out and let us vote on it or against it if you want to. I said well there's some errors in it. They said well correct them as you sit fit, but please at least get it out of your committee.

So I agreed to do that. I said I'll let the committee decide and I kind of rewrote - they said rewrite it and I rewrote it. And I think the original language says the development and resources agency has issued a comprehensive study demonstrating the marketable of

Anyhow John Reger, who is an ardent of Rampart, had a crewcut back then. And I remember this had to be read because it was changed and the Senate or the secretary or the clerk of the house reading - Warren Taylor is speaker. And droning away and as I say I left a lot of the - said whereas if this would be a wonderful project if the advocates are correct in their assertions and if the opponents are wrong in theirs and so forth, blah, blah, blah. And John Reger is listening a little more closely than others and I would swear his crewcut started to rise up like the bristles on a porcupine. And he stood up and he said now wait a minute, then the speaker, old Warren Taylor who was getting a little senile or over the hill at that time rapped his gavel and said sit down John I've read it, it's okay. And John sat down and I had counseled Tinney (?) beforehand. I said now look when we let it out of committee he read it and his eyes boggled when he understood it very quickly. And I said but you and I voted against bringing it out of committee, the rest of them - I think John Holm voted against it bringing it out too. Anyhow it passed out of committee and then Tillion and Hammond those flaming environmentalists opposed to it, it has got to be all right. Went up for floor vote and the House passed - only ones opposed were Tillion, Hammond, and I think Art Arnetz from the Aleutians. I think only three of us. Passed unanimously.

Gordy Watson, who worked for Riverbanks and Fish and Wildlife Service was back in Washington at the time. He was an ardent opponent of Rampart and Gruening hated it. He came back up here and he told me he said you know I was back in Washington when your resolution hit back there because the Senate concurred with our amendments. He said you could hear - what was the other Udall - Stuart Udall scream from two blocks away. You mean to tell me the Alaska State Legislature passed this. It is the first intelligent thing they've had to say about Rampart. And of course Gruening was (inaudible), but of course Tillion and I are on the side of the angels we voted against Ernest, but he knew full well what had happened. Well he subsequently I don't know - well then I got off on the - I proposed the resolution that would rename the proposed Devil Canyon project the Ernest Craig Gruening Memorial Dam. Ernie wanted to leave some monument in his wake, but oh he was infuriated. And he focused in on me and big ad in the paper - the only - Jay Hammond opposed Rampart Dam. Of course the fisherman I could do these things and take much guts down home, the fisherman weren't that entranced with a big dam that would stifle salmon development in the Yukon River.

But he and Bartlett I remember had campaign signs in Naknek when I was running one year for office and I cut one in half. It was vote for Bartlett, vote for Gruening. I cut one in half and pasted both in half and pasted them together. Vote for Gruenlatt. Oh dear. Anyhow that's getting -

Ter: Well did he ever forgive you?

Ham: Oh, no I don't think he ever did.

Ter: Cause that's right, he died in April of '74, so he died before you got elected governor I think.

Ham: No I don't think he did. I had great admiration for Ernest Gruening, but he you know it would have been a horrendous boondoggle.

Ter: Well he I think Rampart Dam was Ernest Gruening's capitol move. You know what I mean - the capitol move -

Ham: But I've always been on the wrong side of the popular political issue of the moment. Statehood, the constitution, Rampart Dam, you name it. I don't know.

Ter: Well Jay I think there was something right because when you got elected in '74 cause maybe it was only that time because the people started coming in you know and I just think that had something to do with it you know.

Ham: Yeah it was a certain point in history that the only time that I could have snuck in. A few years before - what had happened it was in the wake of Watergate. People were really turned off on traditional politicians for one thing. They were very apprehensive about what the pipeline was going to do and the Native land claims were going to do. There was a lot more environmental concern than ever had been evidenced up here and I of course again suggested we should buy back the Kachemak Bay leases because there was in improper process in my view of public input and so forth. And of course that was terribly controversial and when I bought them back I was dammed as the prince of darkness by many folk, but have you ever heard a subsequent candidate say if elected I shall reissue leases in Kachemak bay - no. And even Don Young and Stevens and Kopenne(?) ardently supported to buy back in Bristol Bay at one time. Now that's kind of quiet but - so things have changed.

But I'm always out of cycle and it is kind of - be awfully nice to be - the same thing with the income tax. I was the only political voice that I heard in opposition to it.

Ter: Opposition to the repeal you mean - to the repeal?

Ham: Repeal.

Ter: Repeal, yeah. And of course you became a Republican at a time when Alaska was pretty much Democratic?

Ham: I ran as an Independent initially and there was a certain wooing from both sides of the aisle. When they changed the election code to make it almost impossible for an

Independent to win. And I remember being counseled by some of the Democrat - (inaudible) Louie Dishner (?), some of the other guys there, but hey you know you're reasonably smart guy. If you want to get elected without having to worry about it too much, get that magic D behind your name. And I must confess there was a certain attraction to that. I hadn't had any party affiliation and I realized you could probably have - join either party and vote pretty much the way you wanted to. But on the other hand I made this comment.

Down in Bristol Bay it seemed like every stumblebum and nare-do-well and freeloader was a Democrat. I didn't realize that was because they were only Democrats down there at the time. I subsequently learned that nobody has got the market cornered down to that quality of people. And I thought about you know, not very seriously, about declaring as a Democrat because it would have been so much easier. But then I thought hey you know my folks are Republican. I kind of was inculcated with what was then the Republican philosophy. And I'm at odds very much many times with Republicans today, but not all. And one of them being the fact that they seem to be totally opposed to anything that smacks of environmental constraints and on par with being branded the child molester to be termed an environmentalist, I say I'm an environmentalist but I'm equally concerned about the social and economic environment. Many so-called physical environmentalists are not or not to the extent they should be, but - and to me I - the old Republican conservation mode of Teddy Roosevelt represented is the sort of - but these people seem to think there's nothing to some of these concerns and others. And that troubles me, but be that as it may that was the - one of the reasons I knew that I would always - the only reason I really -

## **End of Side A**

## **Side B**

Ham: - time around you got screened so much more closely because you never won because you were a Republican back in those days. It was in spite of the fact. And I think that's a healthy condition.

Ter: What was your relationship like with Stevens over the year when you came in?

Ham: Stevens, that's interesting you ask that. Stevens was ardently opposed to me the first time around, yet supported me the second time around. It was quite helpful. Yeah, and I have great admiration for Ted Stevens. A lot of folks say you know there was a suggestion one time that I might want to go back to Washington and run for either Congress. In fact Mike Coletta came to me one time after a meeting with Republican chair in Anchorage and said we've got 250,000 if you'll file for a seat against Begech. And forget it. I've got no interest going back to Washington. I refused to move backward to anything that would take me out of Alaska and bring me to Washington is retrogression. Forget it. Don Young, who had an apartment next to us there in what they call the mink pens I think it was in Juneau was over visiting me that evening a night or two later. And I told Don about Coletta's overtures and I said Don, you ought to check that out. Don did so and see

what happened. I don't think he got the 250,000 but the spark was ignited, probably there all the time smoldering but he did and Don - but anyhow I couldn't go back there. Stevens has done a masterful job of course of acquiring benefits for the state. Has it been at expense of the nation? I don't know. Certainly that's the way the game is played and he has done it in spades masterfully. I don't know if I could - I wouldn't have been nearly as successful. I wouldn't have been as nearly successful. And while he could have done anything I had done. I couldn't begin to do many of the things Ted has done. And he justly deserves the appellation as Alaskan of the century. And I disagree with naming the airport after him, not that he doesn't warrant it, but I don't like the renaming of things that people are conditioned to accept. At one time Steve Cooper of all people proposed renaming the Titchek State Park, the Hammond State Park. Why I attended I don't know. Somebody asked me about it, I said forget it. It will incur a firestorm of resentment and opposition and people are conditioned to accept. I don't believe in renaming things that are - and the irony of it was that person who expressed the only outrage that I heard was in a letter to the editor from the then mayor of Dillingham said Hammond doesn't deserve that he was the guy who repealed the income tax. This guy happened to oppose the repeal of the income tax not realizing that I thought it was the most (inaudible) thing we had ever done.

Then Halford suggested renaming the Spenard Lake Hood float plane base and the same thing - Commonwealth North Jeff Lowenfels got a hold of it and he said - I said don't do it. And he said well is this something you'd like to have named after you? I said if there's a new sewer lagoon or something maybe that would be appropriate. Well I just don't believe in that, but again taking nothing from Ted if they're going to name it after anybody, that's the worthy monitor.

Ter: Well I always thought we should name a building at the University after you actually so that's what I think that would be a nice thing.

Ham: Well, somebody had suggested this new high school here, but they don't name high schools and I - something in the academic educational realm I would not object to, but taking and renaming something no.

Ter: Because it's asking for trouble. Do - so what about Bartlett, did you have any, ever run into him?

Ham: I have an enormous respect for Bob Bartlett. I didn't know him all that well, but I think he was a tremendous asset to the state and boy a monumental figure in Alaskan history, but I really back in those days I wasn't interested in politics pre-statehood so I wasn't paying the attention to the thing. And of course he didn't survive too long after I got involved in politics. But what little I know about Bob Bartlett and Ernest Gruening, save for Rampart Dam, I had great admiration for Ernest.

Ter: Well what about with Egan? What was your - I mean -

Ham: Bill Egan was a warm mamonkellar (?) figure who of course endeared himself to Alaskans by his recalling names as much as anything. And being the total opposite I stood in awe of his capabilities cause I forget names and faces, the whole smash. You probably have heard my story about during the campaign a fellow came up to me and stuck out his hand and he said, hi, Jay, how are you? No, he said, hi Jay and then noticed my black look of non-recognition. And he says you don't remember my name do you? I said the heck I don't I just can't place your face. I'm sure Egan got another vote, but I was terrible at it, terrible at it. And he was superb. I had many people say I don't know anything about Bill Egan but he never forgets my name. But Bill had enormous concern and passion for serving the state and did a magnificent job of it and warrants a huge niche in the history of Alaska.

And I had great admiration for Bill Egan and certainly I told him one time, oh my, one time in Fairbanks. I got cross (inaudible) with Bill on more than one occasion. One occasion happened to be when he had made a comment to the effect that Hammond professes to be a conservationist. Why look at here he voted against my bill to create a Department of Environmental Conservation. The reason I had done so it was an absolute toothless tiger. It didn't do anything. I wanted something with a great deal more capability and force and prominence than what he had proposed. So I countered it by saying this is when we were running for governor - countered it by saying well Bill Egan assertion that I oppose his conservation department because I was really not an ardent conservationist would be as ludicrous as me saying that Bill Egan was opposed to higher education because he vetoed a portion of the budget destined to the University of Alaska. And oh I knew what the response would be, he was outraged, saying Hammond that I (inaudible).

We were scheduled to meet in Fairbanks at a PTA or something, there were hundreds of people there. And I knew exactly what Bill would do. He came armed to the teeth and prepared to really work me over. Do you remember this? So anyhow I got to speak first. He was going to be cleanup. And he's sitting there just kind of glowering at me and I started off. The audience knowing there is going to be firestorm between us. So I started off by saying well you know I want to tell you of the enormous regard and respect I have for Governor Bill Egan. And if I have to be defeated by anybody, there is no one that I'd prefer to be and I outlined some of the things he had done for the state. I could see the audience visually warming up. This isn't going to be a firestorm after all. And I kept plumping his cushions and saying all these kindly things about him and then I finally walked over to him, so all I can say Governor I want to wish you luck but not too much. So I sat - he got up and of course Bill had this prepared speech in hand. Got up and started reading this thing, lampacing (?) me, excoriated. The audience is sitting there aghast, how can this guy respond like that to this kindly - I bet he didn't get a vote other than his own.

That's the sort of thing that makes campaigning fun and I love it when that opportunity presents itself. But because - and Wally was a wonderful, wonderful opponent for the same reason. Took himself so seriously.



Ter: Did you have any - ever recall any events like that with Wally?

Ham: Oh, one time I was at a press conference that asked all the governors about their qualifications and desires for running for governor. I was a tail end Charlie. And they go through - Wally Hickel, why he thought he was most qualified to be governor and he outlined the fact that he had been governor and Secretary of the Interior, successful businessman. And Tom Fink when through his drill. And I think Chancey Croft and Jay - there was a little black guy who was running, and I was the last guy. And they said why do you think you're most qualified? And I don't think for a moment I'm the most qualified Alaskan to be governor. I'm sure there's a multitude out there more qualified than I. Isn't it a shame none of them are running? Oh they had Wally and Ernalee on camera and he's listening indulgently until that moment and they both (inaudible).

Then another time they asked the same question in another so-called press conference and it was why do you think you're most qualified to administer the state? Here Governor Hickel has had enormous administrative capability or experience and all the rest of these people and you've run a little flying and guiding business and so forth. And I said yes, but I have an unfair advantage over those other fellows. Well what in the world is that? I said well the prime hallmark of run- of an administrator is capability of selecting persons of greater competence than themselves to fill positions of authority beneath him. And I have a much broader range to choose from than do those other - and you know it proved true in a way because they were kind of high bound to play to the partisan. I could pick anybody I wanted to. I wasn't dependent on the Republicans for election. It was in spite of the Republicans that I was elected. It was dissident Democrats and the so-called, what do they call the young turks and a whole bunch of kind of oddballs that put me into office and the public apprehension over what was coming up. So I did have that advantage. I didn't have to cater to anybody.

Ter: You had a lot of Democrats in your -

Ham: Oh, I did, I did. And again I plowed trench when I went to the what do you call it - what is the - the Republican group -

Ter: The Lincoln Day thing or the -

Ham: Well it was something - maybe it was the Lincoln Day thing. It was in Fairbanks again. And I was being castigated for having appointed Democrats - Ab Gross and two or three others to my - or some others to my administration. And I said well I wanted to bring disparity - not disparity, yeah -

Ter: Diversity.

Ham: Diversity into my cabinet and so I calculated these - selected some developers and conservationists and developers and conservationists, Democrats and Republicans and I brought both of the latter here with me. I only had two Republicans in my entire cabinet. Rest of them were either Independents or Democrats.

Well that - but then a lot of folk cussed me out for appointing Ab Gross. And I said well I think it is the obligation to appoint the best legal talent available to fill position of attorney general. And to me Ab Gross is right up there at the top even as cohorts and colleagues agree. Oh well yeah he's a brilliant attorney but he's a Democrat. You know longhaired hippy type Democrat from New York. And but do you know this who the Republicans hired whenever they were in trouble during past years when Fritz Pettyjohn and some of these other folks they would hire Ab Gross. They all agreed he probably had the best mind available for that job. But I did not - both parties claimed me. They don't either have much use for me and I don't have much use for them. Party structures - I don't know. I think they yield disservice more often than a service and they incline people to play to the gallery and their constituency at the expense of the state in many instances.

Ter: Okay you know that's another thing though that you should.