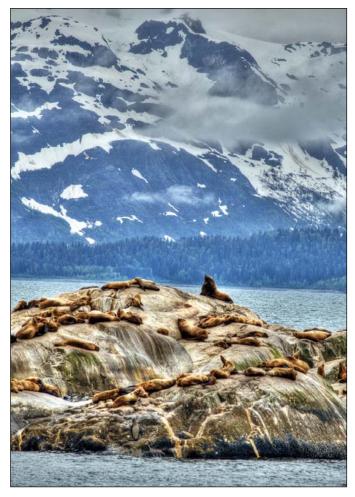




Town's identity, beginnings stand out from rest of panhandle



Above, sea lions rest on a rock along the Marble Islands in Glacier Bay National Park. Photo by Flickr user Cocoabiscuit

By CAROLINE SCHULTZ

The picturesque community of Gustavus, with a 2013 population of 442, sits along the southeastern border of Glacier Bay National Park in the northern Southeast panhandle.

Originally known as Strawberry Point because of the bounty of wild strawberries that grow along the beach, Gustavus is anomalous in Southeast because it's located on a relatively vast expanse of flat glacial outwash. With more deciduous than coniferous trees, sprawling family farms, and a viable moose population, Gustavus seems more like Palmer than Juneau, which is only 48 miles east.

Along the northern entrance to the Inside Passage, Gustavus and the surrounding area have a long history of periodic settlement and use by Tlingits and Athabascans.

A forced name change

The community celebrated its centennial this summer, which marked the 100th year from white settlers' first attempt to homestead in the area. Although the 1914 settlers didn't last, they were followed by a hardier bunch in 1917 that patented homesteads and established the community of Strawberry Point.

The U.S. Postal Service officially changed the name to Gustavus in 1925, but locals resented the perceived overreach and stuck with the original name. The name change was the beginning of a long, complicated relationship with the federal government that would shape Gustavus for the next century.

Atypical beginnings for the town

Gustavus is among a unique group of Alaska communities that developed in the early 20th century without the impetus of resource extraction or along a strategic transportation corridor. These early settlers eked out a living by farming, ranching, and operating a small-scale sawmill.

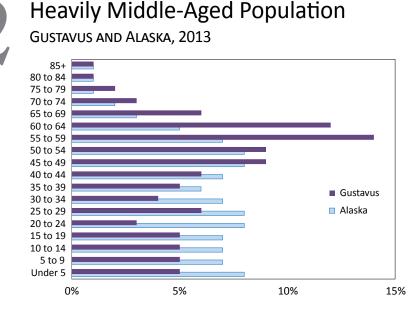
Gustavus entrepreneurs sold beef, vegetables, and lumber to several canneries and salteries operating in northern Icy Strait in the early 1900s, but there were no big commercial fish harvesting ventures close to town. Personal use fishing was common, but Gustavus was never a cannery town like many others in Southeast.

Glacier Bay National Park

Gustavus' history and development is inexorably linked to Glacier Bay and its federal managers. Glacier Bay had become something of a national treasure due to the writings of naturalist and wilderness advocate John Muir in the late 1880s, and it was frequented by early tourists and scientists who wanted to witness the massive tidewater glaciers and abundant wildlife.

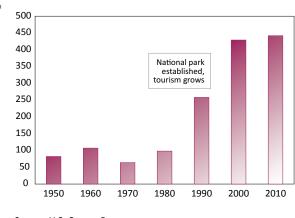
The bay's newness, in the geologic sense, was of particular interest to researchers and nature enthusiasts. In 1794, while charting parts of the Inside Passage, Captain George Vancouver observed what is now Glacier Bay as a single gigantic glacier protruding into Icy Strait.

In less than 100 years, the glacier had receded nearly 30 miles, forming a true bay. Today, it's more than 60 miles



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Big Population Jumps Gustavus, 1950 to 2010



Source: U.S. Census Bureau

from the mouth of the bay to a tidewater glacier.

Glacier Bay National Monument was established in 1925 with little initial impact on Gustavus residents. In 1939, the monument was significantly expanded to include the community, which enraged residents who viewed the expansion as a landgrab that gravely threatened homesteaders' right to economic self-determination.

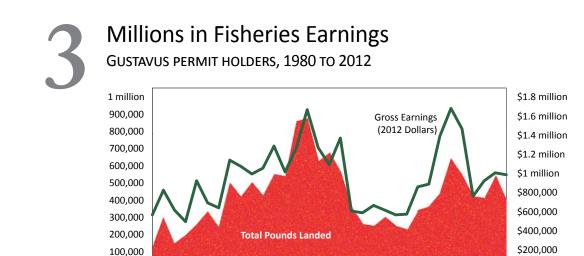
Existing private homesteads became island inholdings in the monument, and any additional homesteading was prohibited. Gustavus cattle ranchers were particularly incensed by a ban on shooting brown bears, which were a threat to herds.

> After an aggressive community letter-writing campaign and years of appeals, the federal government signed 19,000 acres back to Gustavus in 1955.

World War II's role

World War II accelerated development throughout Alaska, and Southeast was no exception. The army identified Gustavus' flatness as a major asset and declared it the "best location for an air base between Juneau and Nome."

Although the National Park Service wasn't enthused by the prospect of building an airfield within a park, it cooperated in the spirit of patriotism. Gustavus residents were much keener on the idea. By 1941,



Note: Includes earnings and landings by Gustavus residents anywhere in Alaska Sources: Alaska Department of Fish and Game; Commercial Fisheries Entry Commission

1988, 990, 992, 994, 996

2000

2001 2004 2006 2008 - 020

19⁹⁸

two paved and lit runways were completed at Gustavus Airfield, which remains the only field in Southeast Alaska with perpendicular runways.

O

1980

1986

A few miles east of Gustavus, Excursion Inlet underwent even more massive infrastructure development. The army wanted a secret barge terminal in Southeast Alaska for resupplying the Pacific theater, particularly after the invasion of Attu and Kiska islands.

Excursion Inlet was a natural deep water harbor with abundant timber, and it was close to the Gustavus airfield. The terminal, completed in 1943, comprised more than 800 buildings, including a 200-bed hospital and quarters for nearly 4,000 officers and troops.

The Gustavus airfield never saw a fleet of bombers land to refuel and resupply for the Aleutians campaign, and the Excursion Inlet terminal only operated for a few months. After the war, the military dismantled the terminal using the labor of 700 German prisoners of war. The airfield remains, hosting the third longest runway in Southeast Alaska, which allows Alaska Airlines to make regularly scheduled summer flights from Juneau.

Development of the park

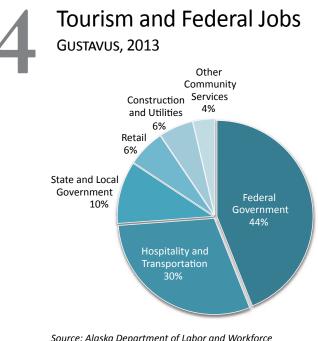
Development in Gustavus and surrounding areas slowed after World War II as it did in much of Alaska. In 1956, a new nine-mile road connected Gustavus to Bartlett Cove, close to the entrance of Glacier Bay, where a dock and some park facilities were installed.

The airfield and connecting road made Gustavus the gateway to Glacier Bay, which became the community's main economic driver. Glacier Bay Lodge in Bartlett Cove opened in 1966 to increase visitor accessibility and remains the only lodging concession within the park.

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Between 1950 and 1980, the Gustavus population remained relatively stable. (See Exhibit 1.) Small-scale agriculture, animal husbandry, fishing, and tourism supported the small community through those years.

The Alaska National Interest Land Claims Act of 1980, or ANILCA, established Glacier Bay National Park and Preserve, made up of the existing Glacier Bay National



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Monument plus adjacent territory.

The park and preserve encompasses more than 3.2 million acres of mountains, ice fields, glaciers, and marine waters. Fortyone thousand acres of the park are designated wilderness areas with even more stringent land and water use regulations than the rest of the park.

National Park Service employment in Glacier Bay expanded after the passage of ANILCA. Year-round federal employment in Gustavus had been minimal prior to 1980, with just a handful of year-round rangers and a less than a dozen additional seasonal employees.

Commercial fishing legality

Throughout these otherwise quiet times, the issue of commercial fishing within the confines of Glacier Bay was coming to a head. A number of obstacles prevented resolution of

whether commercial fishing was allowed within the park, including unclear jurisdiction over the open waters of Glacier Bay, the lack of law enforcement, and the lack of existing policy.

Alaska had again become a frontier in determining the roles of federal and state agencies, as well as private actors, in an unprecedented landscape. Ultimately, there were no clear winners in this conflict. Commercial fishing in the park was phased out by the late 1990s

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through a series of permit buybacks, settlement payouts, and closures. Some fishermen were grandfathered in for certain fisheries and gear types, but the rest were shut out of the bay.

Despite their proximity to the bay, Gustavus fishermen weren't as affected by the closure as nearby Hoonah and Pelican. Gustavus didn't have large seafood process-

ing facilities or a big commercial fleet, and Glacier Bay wasn't a traditional fishing area for most Gustavus fishermen.

Through the late 1980s and into the '90s, Gustavus residents fished an average of 50 commercial permits. That number declined to about 30 active permits between 2000 and 2012. Changes in the global seafood market — including the rise of fish farms, a strong U.S. dollar, and Japan's weak economy — depressed salmon prices in the early 2000s.

Exhibit 3 shows a drop in landings and gross earnings



Above, Reid Glacier in Glacier Bay National Park, near Gustavus. Photo courtesy of Flickr user Myna IT Consulting

by Gustavus permit holders between 1994 and 2002, a decline that's difficult to attribute to a single cause.

In the past five years, Gustavus commercial permit holders have earned about \$1 million each year, or about \$33,000 per active permit.

Most jobs connected to tourism

The Gustavus economy relies heavily on the National Park and Preserve. The Park Service is the largest em-

ployer, providing around 60 yearround jobs and an additional 40 seasonal jobs.

An estimated 400,000 people visit Glacier Bay each year, and many come through Gustavus or make a stop in Bartlett Cove. The lodge at Bartlett Cove, along with the rest of Gustavus' inns, bed and breakfasts, restaurants, and travel and transportation services, make up nearly

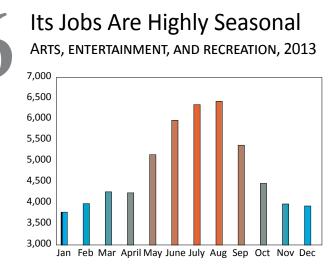
two-thirds of private employment. Between the Park Service and visitor-related private employers, nearly 75 percent of Gustavus jobs depend directly on tourism.

The Gustavus school, city government, and small private firms make up the rest of Gustavus employers. Of course, many residents are self-employed, but data for self-employment is limited in such a small community.

Despite heavy reliance on tourism, Gustavus residents pride themselves on not being a "tourist trap." A big part of the town's appeal is how much it's retained the Continued on page 18 These statistics are based on tax records that show at least \$1,000 in yearly receipts. In 2012, they included 3,140 firms that generated \$62 million.

Finally, volunteers aren't included in employment data, but they play a key role in keeping many of these institutions operating. For example, the Baranov Museum in Kodiak has two full-time and five part-time staffers but about 50 volunteers.

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Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

GUSTAVUS

Continued from page 12

original flavor of a friendly homesteading community.

Although Gustavus seems frozen in time in some ways, its residents are getting older. Like many Southeast communities, the median age in Gustavus is much higher than the statewide average, at 49 compared to 34. The Gustavus population is much more heavily weighted in the 45 through 69 age brackets than the state, and has far fewer young people as a percent of its population. (See Exhibit 4.)

Gustavus' racial makeup also stands out from the rest of the state in that residents are nearly all Caucasian, at 91 percent. Alaska Natives make up roughly 7 percent.

As the baby boomers age into retirement, the question remains whether they stay in Gustavus and who will replace them. Although the town attracts adventurous young people, year-round employment is hard to come by and services can't compete with cosmopolitan Juneau. The community may be more attractive to older people who want a summer home in a peaceful place.

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Most Jobs in Cities

ARTS AND ENTERTAINMENT, 2013

	2013 jobs	Percent of state
Alaska	4,830	100.0%
Anchorage, Municipality	2,317	48.0%
Fairbanks North Star Borough	455	9.4%
Matanuska-Susitna Borough	386	8.0%
Juneau, City and Borough	369	7.6%
Kenai Peninsula Borough	254	5.3%
Ketchikan Gateway Borough	186	3.9%
Skagway, Municipality	128	2.7%
Haines Borough	83	1.7%
Denali Borough	83	1.7%
Bethel Census Area	71	1.5%
Nome Census Area	69	1.4%
Valdez-Cordova Census Area	61	1.3%
Kodiak Island Borough	44	0.9%
North Slope Borough	36	0.7%
Sitka, City and Borough	32	0.7%
Prince of Wales-Hyder CA	7	0.1%
Petersburg Borough	6	0.1%

Note: Doesn't sum to 100 percent because of a small number of jobs in unknown locations.

Source: Alaska Department of Labor and Work Force Development, Research and Analysis Section

Earnings and Job Counts

Average

Arts and Entertainment, 2013

	Jobs	annual
All Arts, Entertainment and Recreation	4,830	\$19,920
Performing Arts	700	\$23,148
Performing Arts Companies	177	\$26,640
Spectator Sports	294	\$17,556
Promoters, Sports Events	171	\$21,720
Agents, Managers	-	-
Artists, Writers, Performers	-	-
Museums, Zoos, Parks	389	\$31,428
Amusements, Gambling, Recreation	3,742	\$18,108
Amusement Parks, Arcades	116	\$22,932
Gambling Industries	747	\$16,200
Other Amusement, Recreation	2,879	\$18,408

Note: A dash means values can't be disclosed for confidentiality reasons.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section