

Japan's Nearness to Alaska May be Factor in Investment

Alaska's nearness to Japan and the undeveloped state of her resources may be strong factors in influencing Japanese capital investment here, according to a report released by the Institute of Social, Economic and Government Research at the University of Alaska.

Entitled "Japan Trade in Alaska's Economy," the report appears in a new issue of the Institute's Alaska Review of Business and Economic Conditions.

Hunger for raw materials, the report says, is forcing Japanese industry to increasingly turn to Alaska.

The gross national product of Japan has almost tripled in the last ten years and its manufacturing output has nearly quadrupled in the same period, making the nation the third ranked industrial power in the world.

Yet, Japan's industrial machine, like that of Britain's sustains itself by importing raw materials and exporting finished products the report notes.

Although Alaska is not the only area where these materials are available, Japanese industries seem to favor Alaskan resources because of the state's nearness and undeveloped status.

Japanese industrialists have deep anxieties about being cut off from raw material sources, the report explains. They therefore prefer direct capital investment by Japanese firms in the extraction and production of raw materials.

The report, discussing the major areas in which Japanese industry is interested, observes. "There is hardly an Alaskan product or potential Alaskan product which has not been seriously considered as a source of supply by some Japanese company in the last few years."

Lumber, wood, petroleum,

natural gas, seafood and livestock are among the resources currently commanding most of the Japanese attention, the report says.