

# Local Economic Zones critical to village economy survival

by Paul Swetzof  
for the *Tundra Times*

The concept of Local Economic Zones is very critical to the economic viability of many villages situated on the coast and along the rivers of Alaska. For this reason I intend to comment and report on this concept extensively.

As stated in my previous column, there is no moral justification for excluding village residents from having the exclusive right to a local economic zone.

Futhermore there should be no legal problem in implementing such a system.

The state currently has a system, the Limited Entry System, which only allows persons holding a permit to harvest particular fishery resources. Anyone not having a permit is excluded. Persons holding a permit may sell it and/or transfer it to another person.

I am not advocating for or against the Limited Entry System. I am advocating that the Limited Entry System not apply to areas designated as Exclusive Economic Zones. These zones would be in the immediate area of villages situated on the coast and other waterways of Alaska. Their purpose would be to assure that village residents, who live in the immediate vicinity of fishery resources, are able to support themselves and their families and that the end result is to assure a permanent and viable village economy.

Nothing makes more economic or social sense than to establish the Local Economic Zone. It keeps people working at home, doing what they know and enjoy the best. Families are not divided up part of the year while family members are looking for work. Processing plants, run by village residents, would appear in many villages, which in turn would employ more village residents. Where the great majority of residents are out of work in some village, and have no prospect of obtaining employment, the Local Economic zone could create up to 100 percent employment. The high social costs of unemployment would be eliminated in much of Alaska. These include such costs as alcoholism, suicide, and the breakup of the family unit.

In economic terms, which unfortunately is the only language some people understand, the cost benefit

ratio of the Exclusive Economic Zone would be enormous. The State of Alaska and the federal government would save literally millions of dollars which they would otherwise continue to have to pay for such programs as unemployment insurance, AFDC, food stamps, medicaid, supplemental security income, general relief assistance, and other federal and state programs which the unemployed must depend on.

At the same time that the government entities were saving millions to state and local governments, of both rural and urban Alaska, would be getting millions. The increased purchasing power of thousands of newly employed Alaska village residents would send positive economic waves throughout Alaska. Village residents would collectively have millions of new dollars to spend on supplies such as food, clothing, transportation, recreational items, building materials, and much more.

The increased business would translate into many more jobs for urban areas far from the villages, such as Anchorage and Fairbanks. The many new jobs created outside of the villages would in turn send additional waves of economic joy throughout the Alaska economy.

In other words the Local Economic Zone has the potential of reviving the entire Alaska economy. Everything from the real estate industry to local cottage industries would be on the upswing. This is the message we must get to the state and the other entities who have the power to create the Local Economic Zone.

Opposition to this will likely come from some commercial fishermen, especially from outside, and perhaps some sport fishing associations. However, we need to educate the public and the government that the economic benefits of the Local Economic Zone are so far reaching and economically important to Alaska that our opponents arguments make very little sense in both economic and social terms. When the cost benefit ratio of the Local Economic Zone is compared to our opponents arguments there will be no comparison.

Get it together Alaska. We don't want handouts. We want to work. The Local Economic Zone would put village Alaska to work, using the skills and the resources which we have utilized for thoursnds of years.