

Corporations seek Soviet trade

by Holly F. Reimer
Tundra Times reporter

The Soviet Far East is vast and sparsely populated, so is Alaska. Both share many likenesses in geographic characteristics, fisheries, developed and undeveloped natural resources.

And both have a common interest in wanting to do business with one another.

Although the two countries share many likenesses, there are many differences. The Soviet Far East is much farther behind Alaska

technologically and economically.

The Soviets are also behind in many areas of foreign business relations, unlike Alaska which has a lot of business experience with foreign nations.

But no matter how different or the same the two are, businesses on both sides have their eyes and ears wide open for the opportunity to work with one another.

"The first people who make some kind of business agreement between Alaska and the Soviet Far East will be the ones paving the road for the rest to follow," a

University of Alaska professor said.

Gunnar Knapp, a professor of economics at the Institute of Social and Economic Research at the university, said not only will these people be leading the way but it will take them the longest to develop business and trade relations. And he said they're going to be the ones to find out what kind of opportunities are out there.

"All business with the Soviets will be harder than most other business deals. And it's foolish to think that all of them will happen

(Continued on Page Seventeen)

• Trade with Soviets

(Continued from Page One)

or be easy," Knapp said last week.

He added that developing businesses and trade with the Soviets will be a long-term process.

But many Native corporations and other Alaska businesses have already started negotiating business proposals within their own companies. Some have already spoken directly with the Soviets and are trying to tighten their relations. And still others have gone to the Soviet Union; in fact some business people are there right now.

Representatives of Community Enterprise Development Corp. left for the Soviet Union late month. Among them were CEDC President Perry Eaton, Alaska Commercial Co. President Sam Salkin and AC Board Chairman Karen Fogarty.

They were traveling to the Soviet Union to look into the possibility of bringing Soviet goods into Alaska for marketing throughout the state.

Ron Miller, international trade specialist for the Office of International Trade in Anchorage, and Knapp agree that opportunities with the Soviets are vast and diverse.

Tom Dow, vice president of NANA Development Corp., said the Kotzebue-based regional corporation is very interested in doing business with the Soviets.

"The most likely business that NANA would be inclined to look at would be tourism because the currency exchange may be less of an obstacle in tourism rather than American technology or finished goods," Dow said.

Cominco, which is developing the Red Dog Mine with NANA, has already looked into the prospects of using Soviet icebreakers to help expand the ocean transport season for zinc.

But Dow said Cominco decided against the idea because of shallow waters around the area. Also, he said it was decided that Soviet icebreakers would not be practical for this operation.

Vernon Olson, vice president of Bering Straits Native Corp., said Bering Straits is interested in some type of mining agreement with the Soviets.

Bering Straits and Soviet officials met last summer in Anchorage where they discussed the possibility of doing some type of mining business together. Bering Straits has a tin mine, and the Soviets have smelters.

Roy Huhndorf, president of Cook Inlet Region Inc., said CIRI may be interested in technology transfers within the oil industry, but he pointed out that the first exchange is culture.

Bill Howe, president and chief operating officer of Sealaska, said the Southeast regional corporation is interested in fisheries development.

After a visit to the Soviet Union in February, Howe and other Sealaska officials said there are significant opportunities for work-

ing with the Soviets in the fishing business.

Still other Native corporations haven't pinpointed any specific areas for trade or business. Some other ideas are in Arctic construction and reindeer processing and a communications link.

The university's Knapp said that the Bering Straits region has a better chance for business opportunities than other areas because of the already established ties. Last June it took the Friendship Flight only 20 minutes to fly from Nome to Provideniya.

"Knowing your neighbors is part of the Bering Straits region," Knapp said.