

Report of Alaska Native Claims Settlement Act of 1970

Each eligible Native will be enrolled as a member or shareholder in each of the three corporations: The Services Corporation, the Investment Corporation, and the Village Corporation. For natives in Alaska living in urban areas and Natives living outside the State of Alaska, Urban and National Corporations will be established to parallel the Village Corporation.

The gross value of the total settlement per Native person as distributed to and through the corporations established for social services and investment is \$12,727 (\$6,526). Of this total, \$4,177 (\$3,062) is distributed for the purpose of social services and \$8,550 (\$3,454) is distributed for investment for profit. The figures in parentheses represent the present value per Native person at an 8 per cent discount rate as opposed to the value in 12 years.

A typical Native village with a population of 200 eligible Na-

tive people would receive payments from the Services Corporation totalling \$886,000 between 1971 and 1982. Payments would be made to the Village Corporation and would be distributed in accordance with a plan prepared by all members and approved by the Services Corporation.

Funds received by the Village Corporation should be used for cash distributions; housing subsidies; community health programs; investment in community facilities such as sanitation or water systems; loans; productive enterprise; or a combination of these and other purposes.

The typical Alaska Native Village presently consists of a cluster of shacks and a few stores. There are no paved streets, sidewalks or plumbing. Most public services which Americans take for granted are nonexistent. Funds made available to Village Corporations and to the Native people will enable them to esta-

blish their own priorities and to improve the quality of their communities and their lives.

Whatever the form in which funds provided through the Services and Development Corporation are disbursed, they may be expected to raise the real incomes of a typical Native family of five persons by an average of \$1,537 per year during the first 12 years, the committee wrote. These benefits will be supplemented by average cash dividends during the same period of approximately \$500 per year with substantial increases in later years. The total increase in family income of over \$2,000 per year will amount to a doubling of the real incomes of more than one-fifth of such families and to a 50 per cent increase for about half of them.

While this settlement is not intended either as public assistance legislation nor as a substitute for existing public assistance, health, education, or com-

munity development programs, its possibilities for reducing future Federal and State costs for these programs are obvious, the committee said.

Most Natives, as individuals, are not accustomed to having or managing substantial amounts of money. The machinery for distributing funds paid as compensation provides for guidance, training and the education of Native people in the management of their assets both at a State-wide and a local level and for a rapid transition to complete self-determination over those assets. It also provides for the shift in disposition, over a period of twelve years, of the preponderance of funds granted from social services to cash income investments.

The Natives of Alaska are in general a long distance from economic self-sufficiency and will be so for many years, notwithstanding this settlement. The

cost of assisting them either under special "Indian" programs or as citizens of the United States or of Alaska in health, in education, and in income supplements can be expected to grow.

The United States will almost certainly adopt some form of family income guarantee in the next decade, and the cost of assisting a group whose median income is about one-fourth of the national figure will be considerable. For this reason any outlay for Native claims compensation, to the extent it reduces future public burdens, is far less costly than it might seem.

Moreover, it may be no small matter in the self-respect of the Natives and the regard of their fellow citizens whether their incomes are supplemented by public assistance because they are poor and unemployed or by dividends from corporate securities received in exchange for what they claim to be ancient and honorable rights.