

Editorial—

Native corporations key to economy

The winding down of activity which accompanies the near-completion of the Alyeska pipeline offers a unique opportunity to the Alaska Native corporations and the Alaska business community to forge a partnership for keeping the state's economy moving during the post-oil line era.

Best estimates indicate that the state faces a three-year slump between completion of the Alyeska project and start-up on the gas-line. More businessmen in Alaskan economic centers are making plans to enter into partnerships and joint ventures with Native corporations during the slump.

There are good reasons for developing such partnerships. For one, these corporations have money. Sections six and nine of the Alaska Native Claims Settlement Act authorize the payment of 962.5 million dollars to these corporations. Of this amount, barely 30 per cent has been disbursed. Secondly, they have land — the best land in the State of Alaska. This week Joe Upicksoun, president of the Arctic Slope Regional Corporation, is the man with the three million acre smile. ASRC became the first regional Native corporation to own land under the terms of ANCSA, and they have three million additional acres available for selection. The village corporations are at a similar advantage. The same desirable qualities which encouraged settlement of Native villages in their locales offer matchless attraction for OCS activity and other development.

In locating financing with which to leverage their money, the Native corporations are further favored. Loan guarantees, interest subsidies and other such provisions of Federal law designed to give minority businessmen a break have a great deal of benefit for the corporations.

Numerous activity among non-profit Native corporations, are generating parallel opportunities for private investment. AVCP will contract for the total operation of 28 schools currently operated by the Federal government. The Tanana Chiefs are developing plans to operate hospitals, schools and colleges, and manage multi-million dollar contracts employing 184 persons. Projects are in full swing throughout Alaska to build hundreds of houses seasonally in response to rural housing needs. Tlingit and Haida people are leading the state in inovative creation of a regional electric authority.

Investments made to date by the profit regionals are astounding in size and diversity. One can check into a hotel room (Native corporations own more hotel space in Alaska than all other interests combined) in a Native-owned hotel with an Anchorage city view overlooking a Native-owned bank, shopping malls, office buildings, numerous Native-owned business and several other Native-owned hotels.

The money and the businesses Natives now have are cause for excitement enough, but now comes the land the resources. The attitude of the Native corporations toward land ownership can be summed in the words of Koniag Corporation leader Hank Eaton, who states, "The billion dollars is nothing; it's the land that's the real settlement."

Many of the things the Native corporations have been doing the past five years have been quiet, subtle actions which have been disguised amid the oil boom. But, now take away the oil construction effort and take a close look at what is the real fabric of Alaskan economy and one will discover the Alaska Native and his corporations. Native interests are the key to Alaskan economic well-being.

Discovery of this reality is a source of pride for those of us of Native heritage. Yet, we are not so proud as to believe we cut ourselves off from the rest of Alaska. Alaska Natives and the Alaska business community should work closely together to forge a partnership to keep our economy moving in a progressive, orderly manner. Alaska Native or Alaskan— we are Alaskans who must live together in Alaska.