

Kotzebue, winter, 1992

By Steven C. Levi

For the *Tundra Times*

KOTZEBUE - The story of the economic condition of Kotzebue this winter can be summed up in the three C's: Clinton, Cominco and Costco. While it is easy to believe that Kotzebue is unaffected by the national pulse, merchants note that there had been a surge of selling after the election. Casey Pettichord of Kotzebue Sound Souvenirs noted she had experienced a "buying boom right after the election." Other merchants didn't call it a boom but said that sales had gone up after the election.

As far as Cominco is concerned, there are rumblings in Kotzebue that all is not well with company policy. With the direct flights from Anchorage to Red Dog, Kotzebue is not seeing the economic prosperity many believed would come. Worse, many people from Kotzebue who

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work at Red Dog now live in Anchorage out of convenience. This chops into the revenue base of the city, already reeling from a \$1.4 million deficit.

The third financial impact smashing Kotzebue is Costco in Anchorage — not to mention PACE, Eagle, and the incoming K Mart and WalMart. More and more Kotzebue residents are buying in bulk in Anchorage and shipping their groceries and hard goods to Kotzebue with by-pass mail or carry it as luggage. This trend has been going on for at least three years and there is no reason to expect a turn around. "The economy in Kotzebue has been down for the last three years," Dorothy Lundquist of Valu House noted. She has reason to be concerned. Alaska's Bush is a growing market for anchorage merchants. A quick look through a town publication reveals advertisements from Anchorage businesses including Lo-Mark Furniture which has a full-page, two-color ad each week. Businesses "would be advertising if they didn't think the bucks were here," was the general attitude of Kotzebue merchants....and they are probably correct.