

Thoughts of a Native Chief Executive

By Byron I. Mallott

Sealaska Plaza comes to life each day without transition. Early morning thoughts are ended by the abrupt incessant ring of phones. The schedule is gone over, the in-basket grows instantly by inches and the first meeting awaits.

Next year's operating plans have been received from Sealaska's subsidiary companies and today begins seemingly endless analysis, memoranda and meetings so that ultimately the individual plans fit overall corporate objectives and goals. I think of the goals of the Alaska Native Claims Settlement Act (ANCSA) and wonder again whether these corporations can ever meet the expectations of Native shareholders and other Alaskans.

The first meeting ends, officers scatter to other duties and I go to my office to return phone calls. An executive visiting Juneau to meet legislators calls to say hello and to alert me that there seems to be an anti-Native feeling among some legislators. It is not racial, at least we hope not, but related to the beliefs that the Native and rural areas have fared

well in the Legislature and with the benefits of the Alaska Native Claims Settlement Act may now be over reaching. I hang up and reflect that a proposal before the Legislature to provide state assistance to the NANA/Cominco Red Dog Mine project at a time of shrinking state oil revenues may be causing some pent-up legislative frustration to be released, with Natives generally being the target. I file the thought mentally beside my belief that most issues are dealt with fairly and on the merits by the Legislature and we will just have to wait and see.

The next phone call returned is to a shareholder about to lose his seine boat and possibly his home to satisfy a state loan which financed the boat during better times. Now the boat's value at auction is far less the amount of the loan, reflecting the serious decline in the fishing industry. I inform him that Sealaska cannot provide financial assistance but after talking with the president of our subsidiary, Ocean Beauty Seafoods, every effort will be made to make a company fishing boat available to him, provided that he does not also lose his valuable seine fishing permit. I can give him no guarantees however, and the phone call ends on an unsettled and frustrated note. He is over 65 and just several years ago after a life of hard work had been looking forward to retirement.

Before there is time to collect any thoughts, another shareholder call is put through. The caller wants to know if I can help put pressure on a federal agency which as a result of federal budget cuts is renegotiating many social service contracts, his organization's among them. In the process he has not been paid for two months and his creditors are becoming concerned. I will do what I can and find that the contract is approved but the paperwork needed has resulted in a long delay. I hope the caller can wait.

Some time is allotted to the in-basket. Many requests for donations and charitable contributions are reviewed, and several from community and shareholder

organizations are approved, but at less than the amounts requested. Requests for contributions have increased almost directly in proportion to federal budget cuts over the past several years and I shudder at the thought of state spending reductions. Sealaska's corporate contributions policy must be reviewed, I think, as a handful of national corporate and political contribution requests all done on fancy paper stock are tossed in the waste basket.

It is mid-morning and after one more call there is a lull. This call is also from a shareholder, a friend I have known for many years, a good hard-working family man. He, like the earlier caller, is the victim of federal budget cutbacks and almost offhandedly informs me that he may lose his home if he doesn't find work soon, but that is not why he called. He wants to chat about rumors he has heard that the village corporation to which he is enrolled had taken out large loans for timber development several years ago in a stronger timber market and now may be faced with the prospect in a severely depressed market of defaulting on those loans. He is concerned that all of the lands the village corporation received from ANCSA may be lost and wants my opinion. I had heard the same rumors but nothing more and tell him that Native lands if held as security by a lending institution can be foreclosed if the loans or loan to which they are pledged are not repaid. I say it in almost those very words and mentally kick myself as I so often have for lapsing into this stilted, sometimes incomprehensible business jargon, which conveniently removes in the saying the real horror of the meaning. His tone of voice changes and I sense a cocked eyebrow as he deciphers what I have said. He moves on to wonder how the corporation, if the rumor has any substance, got into such a circumstance. We discuss the state of the timber industry in Southeast Alaska, the several bankruptcies in 1984, the continuing financial difficulty of the two pulp mills and weak export log prices. He mentions that he is glad Sealaska has not pledg-

ed large amounts of its timber to secure loans and says good bye.

I pause and consider. Between village corporations and Sealaska, tens of millions have been invested in Southeast Alaska

timber development in the past five years. In some instances large debt was incurred to finance start-up and operating costs with ANCSA timber lands pledged as collateral. (To be continued)



Byron Mallott, Sealaska President, is shown here recently addressing the Anchorage Chamber of Commerce.

Photo by Jim Benedetto