

NSEDC: Bringing economic vitality to Bering Straits

by Jeff Richardson
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The three-year old experiment to boost and diversify the economies of Western Alaska coastal villages has begun to produce impressive results.

The Community Development Quota Program allocates 7.5 percent of the total allowable catch of Bering Sea pollock, halibut and sablefish to coastal communities to harvest, process and market in co-operation with industry partners.

"It's working," says Eugene Asicksik, president of Norton Sound Economic Development Corp., one of six regional village consortiums created to implement the program. "There's a future here."

The regional groups are required to submit budgets and operational plans to the state for approval. This information then becomes the basis for the state to decide how much of the TAC set aside for communities is to be allocated to each of the regional groups. The state's allocation decision has to be approved by the U.S. Secretary of Commerce. This year, NSEDC saw its 1986-1998 allocation increase from 20 to 22 percent of the community development quota.

Although performance varies from region to region, recent milestones reported by NSEDC reflect the potential of the CDQ program to generate economic vitality in rural villages long plagued by numerous barriers to investment. Here are a few highlights from the organization's third quarter report to the state:

- NSEDC arranged employment for 17 entry level seafood processors, generating \$101,315 in crew-share wages;

- Arranged employment for 15 residents in year round positions related to project management and administration, generating \$133,661 in local income; and

- Provided seasonal employment for an additional 118 Norton Sound residents, generating \$158,165 in local income.

While the wages are badly needed, almost as important is the fact that participating in local and regional commercial fisheries is compatible with subsistence hunting and fishing activities, another critical economic as well as cultural pur-

suit of most village residents. NSEDC and the other regional groups are using their CDQ clout in harvesting pollock, sablefish and halibut to leverage di-

versification into other fisheries in pursuit of a year round revenue stream to village residents. Through its for-profit Norton Sound Fish Co., jointly owned with partner Glacier Fish Co., NSEDC has become a leader in processing several important species. It has also put money directly in the pockets of local fishers, as reflected in its third quarter performance report:

- Norton Sound Seafood Products, a joint venture with Glacier Fish Co., purchased 898,800 pounds of salmon from local fishers worth \$254,391;

- Purchased 102,549 pounds of red king crab worth \$307,647; and

- Purchased 45,747 pounds of halibut worth \$75,000.

Asicksik says flexibility is one of the most important attributes of the CDQ program. One key example is the group's halibut quota for St. Lawrence Island. NSEDC turned to local fishers to do the actual harvesting.

"We let St. Lawrence residents fish that for us. We could have gone

in there and in two days fished that 46,000 pounds, but we didn't for the sake of the local economic development," Asicksik says.

In order to diversify economic opportunity even further, NSEDC has developed a scholarship program for Norton Sound residents. By the third quarter, 60 \$1,000 scholarships had been dispersed.

Additional features of NSEDC's program is providing gear and vessel loans and training to local fishers to enhance safety and productivity, as well as potential equity participation in a salmon enhancement project in the region. NSEDC has also created an investment portfolio to broaden its revenue base.

According to Asicksik, state oversight of the program is key to its success and its future. He says there is a lot of opportunity for the CDQ groups to expand.

"If I didn't believe that, I wouldn't be here," Asicksik says. "I wouldn't have fought so hard to move to Anchorage or leave my family. I wouldn't have quit fishing. I quit for two years to make sure its successful and that NSEDC gets its

fair share. Or more, if possible (he laughs)."

Always an optimist, Asicksik nonetheless feels pressure from local residents to produce and disperse assets, and from forces outside Alaska hostile to the CDQ program.

"One of my wildest hopes is that we continue riding this wave to where we benefit our region," he says. "I'm hoping that Norton Sound will be patient to wait for NSEDC to fulfill its greatest potential. If we're not ready, either Washington is going to shoot it down, or the State of Alaska is going to take away our allocation."



Eugene Asicksik, President & CEO, Norton Sound Economic Development Corporation.

Photo by Anna M. Pickett