

Native Insight Competition

Thoughts on Recession, Recovery & Opportunity

Winning Essays



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Alaskan Native Corporations Can Provide International Benefits Through Marketing Carbon Offset Credits

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Alaskan Natives have a specific asset that could be of essential importance as the world economies strive to put the current economic recession behind them. What is this unique resource? Land! The Alaska Native Claims Settlement Act of 1971 (ANCSA) allowed Native corporations established under ANCSA to select a total of approximately 40 million acres of land in Alaska. Of this total, approximately 22 million acres were selected by village corporations; 18 million acres were selected by regional corporations; and an additional 2 million acres were reserved for existing cemeteries and historical sites, small townships, and Native allotments. The balance of these 2 million acres was to be conveyed to the regional corporations. These Native lands, and more specifically forestlands, offer Alaskan Native regional and village corporations a unique opportunity to help stimulate economic renewal, while at the same time providing the potential for a significant economic stimulus to Native corporate shareholders through increased dividends.

To most Alaskan Native people, land is sacrosanct. Not until modern times was there much of a formal system of land ownership among Alaskan Natives. Through traditional use of specific land areas, families, clans, tribes, and bands eventually established "ownership" based on this historical usage of the land. The process of conveying land to official Native ownership began in 1971, although it took many years for lands to be surveyed, deeds to be recorded, and conveyances to be made. For most Alaskan Natives, and especially for those living rural subsistence lifestyles, land has much more

meaning than just its economic value. Land is the source of subsistence food, and its proper stewardship means survival for subsistence users today and in the future. Selling land or even developing its natural resources at the expense of limiting subsistence activities does not generally sit well with Native people, who seem to understand that there needs to be a balance between developing the land and providing land to support subsistence resources for the next generation, as well.

So, how can Alaskan Native regional and village corporations and their shareholders benefit from the ownership of approximately 40 million acres of land in Alaska? And, more importantly, how can these Native lands provide financial benefits to shareholders without disrupting subsistence activities, while ensuring that these lands will remain intact for future generations? The answer to this can be gleaned from recent news stories about Japan's purchase of carbon credits from the Ukraine, a country about the size of Texas or approximately one-fifth the size of Alaska.

In March of 2009, various news agencies reported that Japan, in seeking to meet a 2012 cap on greenhouse gas emissions, as established by the 1997 *Kyoto Protocol*, had agreed to purchase 30 million tons of heat-trapping carbon from the Ukraine in the form of carbon offset credits. The cost was not disclosed in all reports, but some estimates put the price tag at \$40 million over ten years.

The *Kyoto Protocol*, the 1997 agreement between industrialized nations to address global warming, mandates cutting greenhouse gas emissions. Japan has a large stake in this, as one of the strongest promoters of the *Kyoto Protocol*. Countries such as Japan that signed the *Kyoto Protocol* must purchase permits for each ton of greenhouse gas that exceeds their emissions cap. Additionally, Japan has made a commitment to further reduce

greenhouse gases by 25%, a pledge recently announced by newly elected Prime Minister Yukio Hatoyama.

However, rather than cutting greenhouse gases, Japan's emissions rose 8.7 % from 1990 through March of 2009, while Japan had pledged to cut emissions by 6% in the years leading up to 2012, according to Japan's Environmental Ministry. Japan had so far bought 23 million tons of certified emission reduction credits (prior to the March 2009 agreement to purchase 30 million credits from the Ukraine). In the future, Japan plans to buy as much as 100 million tons of carbon credits to avoid a predicted shortage of emission credits, and is currently holding talks with the governments of the Czech Republic, Hungary, Poland, and Russia about additional purchases.

This is where I see Alaskan Native corporate lands coming into the picture. In most parts of Alaska, Native boreal forestlands are relatively undeveloped. These forestlands are primarily used for hunting, fishing, firewood gathering, and berry picking – activities that leave the land much as it was found and create a very small carbon footprint. I suggest that perhaps Alaskan Native regional and village corporations could join together to establish a commission for looking into the sale of these carbon credits. Now that the Obama administration, in a turn-about from the Bush years, has indicated that the United States will honor the *Kyoto Protocol*, an increased domestic market for these credits is likely to evolve, in addition to the already-established international market.

Selling carbon emissions credits appears to be a win-win situation. Yes, some people say that buying and selling carbon credits is "bogus" and that it is "a game" being played on paper with our environment. However, this game is for real, and international

players are stepping up to make deals. Why shouldn't Alaskan Natives benefit from the sale of such credits, especially if the integrity of the land remains intact?

Other groups, including Oregon woodland owners are beginning to study the marketing of carbon offsets; however, since only large blocks are readily marketable, small woodland owners have a hard time marketing carbon offsets on a small-scale basis. So Oregon woodland owners are forming cooperatives to join smaller parcels together in order to offer marketable carbon offsets. It seems Alaskan Native corporate landowners could do something similar.

The main clearinghouse for marketing energy credits in the United States is Chicago Climate Exchange, a carbon-trading market. Currently prices for carbon offsets are somewhat low; however, future market conditions, including the emissions cap and the increased trading of carbon offsets, should push the price up. President Obama has called for a national system for trading these credits, similar to the government-mandated system presently in place in the European Economic Union. Currently, carbon is trading for about \$2 per ton on the climate exchange. This equates to about \$3.50 to \$7 per acre of forestland at current prices. If the market for these credits expands due to federally mandated trading guidelines, experts predict increased demand and price increases up to \$5 per ton, which would make carbon offset trading even more profitable.

Yes, there are many challenges to using forestlands for carbon offsets. One challenge is in calculating how much carbon is stored by each acre of forest. Another challenge may be in bringing together various ANCSA village and regional corporations into some type of consortium to jointly market these credits. Still a third challenge may be in waiting for the market to develop and the price per ton to increase, something that is

predicted to happen if the federal government steps in to regulate the sale of carbon credits.

One option is for Alaskan Native corporations to do nothing -- to just remain on the sidelines and see how this offset marketing business develops over time. But perhaps a more prudent option would be for Alaskan Native corporations to direct some resources toward studying this issue in order to determine if there is potential for profit, while at the same time benefiting the environment. Again, this seems as though it could be a win-win situation. Lands would continue to be managed and used much as they are today for both subsistence and business purposes, while corporations and shareholders reaped the potential economic benefits. The sale of carbon offsets could have a net positive environmental impact on our planet, and especially on our northern climate, which would ultimately benefit Alaska's Native people by preventing further environmental degradation. Another advantage of preserving forests for their carbon carrying ability is old forests hold more carbon than younger forests, in both the trees and the soils. Older forest offer better fish and game habitat, also, which enhances subsistence opportunities. Additionally, in the Amazon region, the sale of carbon credits is seen as a means of fighting poverty, as income from credits is distributed to forestland owners. This means of combating poverty might apply in rural Alaska, as well, if shareholder dividends increased due to the sale of carbon offset credits. It truly appears to be a win-win scenario.

My proposal is that carbon offset trading be analyzed for its potential benefits to Alaskan Native corporate and shareholder interests. The thing that sets Alaskan Natives apart in this relatively new business enterprise is the vast (40 million acre) landholdings they control jointly. There is a history and precedent, established through stipulations in

ANCSA, for the sharing of revenues from subsurface development among Native regional corporations. With effort and foresight, Alaska's Native corporations could similarly organize to examine this potential business venture that could serve to fight poverty, promote economic renewal, and help jump-start the US and international economies.

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“Renewing Our Future”

Harold Frank Jr., Central Council Tlingit and Haida Indian Tribe of Alaska

I believe the key to economic renewal in rural Alaska begins with providing good education and career training for any tribal member that wants to improve their world. Economic and social advances must begin and end with our tribal members becoming competitive. Education and career training provide maximum flexibility in the workplace.

I am a current graduate student pursuing a Master’s of Science degree at Central Washington University. The topic of my thesis is “Developing Tidal Energy in Angoon, Alaska”. I decided to explore renewable energy alternatives because methods to reduce the burdensome cost of energy would be welcomed by fellow tribal members in my hometown. My personal vision is to identify a need and educate myself to fill the void. Education is the key.

My experience includes work with Alaska Native Claims Settlement Act (ANCSA) corporations and tribes. In my role as a tribal administrator, I saw that the General Assistance (GA) program had the most requests for aid from tribal members. Education and training had sufficient funds, but I felt these programs were underutilized. Many tribal members move to cities lacking requisite skills or experience to compete in the workplace and must seek GA. One advantage in cities is the cost of living is reduced and GA assistance goes farther. If we are to stem the tide of out-migration, educating the young and creating jobs to keep them home should be a top priority for all.

History has documented that adapting to rapid change has become the norm rather than the exception for the Native people. The passage of the Alaska Statehood Act, and

more importantly ANCSA, allowed accelerated municipal infrastructure to become established. Rural schools were quickly constructed using the oil wealth and satellite television opened many windows to the world, but at a price unanticipated by our elders. With the new municipal infrastructure, the cost of living in rural Alaska skyrocketed with energy becoming the most expensive necessity. Job opportunities in the bush are scarce creating out-migration to urban centers. The Native peoples' freedom to move freely on the land was surrendered by passage of ANCSA. A sessile existence was required of the Native people and associated municipalities evolved.

It seems that all Alaskan's have embraced the ease of life technology offers. We take for granted such conveniences as liquid crystal display (LCD) televisions, cellular telephones and computers. The convenience created by these new technological advances requires energy to operate. The cost of energy in most of Alaska is tied to the price of diesel. Infrastructure evolved when the price of diesel was relatively cheap. When the price of energy started to rise, the State of Alaska's Power Cost Equalization (PCE) program, which shared the oil revenue with Alaskan villages, relieved some of the financial burden faced by rural residents. The PCE is no longer guaranteed, but the high cost of diesel remains a certainty.

I believe one of the keys to a successful life in rural Alaska is providing some financial relief to the financial burden created by the cost of energy in the bush. The world and the USA have started developing renewable energy sources. Renewable energy does not require conventional carbon based fuel sources. Newly designed mechanical devices capture energy potential in the natural world such as wind energy. The Federal government's movement in this direction began when President Bush signed the Energy

Policy Act (EPACT) in 2005 to explore renewable sources. The push for renewable energy development continued with President Obama's new energy policies which have been bolstered by funding in the latest stimulus package. If Native people in rural Alaska can capture renewable energy whenever and wherever possible the crushing financial burden created by use of fossil fuels will be reduced or even eliminated. The money saved in utilizing renewable energy could be used on commodities such as food and other necessities from the general stores. With stable and reliable energy sources, economic development opportunities in villages would become more attractive to investors. Out-migration for economic reasons would be reduced.

In Alaska, the Federal commitment for developing renewable energy sources creates opportunities for true collaboration between tribes and ANCSA corporations. There is a unique relationship between tribes and ANCSA corporations not shared by Lower 48 tribes. Tribes in Alaska possess the government to government status with the Federal government while the corporations possess the land and the capacity. In EPACT, Title V creates a great opportunity for tribes to develop their resources for energy production, but to do this in Alaska requires ANCSA corporation concurrence. One of the strongest commitments from the Federal government in Title V is the guaranteed low interest loan program to tribes to develop energy resources administered by the Department of Energy. The passage of EPACT allows tribes in Alaska and ANCSA corporations a great opportunity to jointly create renewable energy for both personal consumption and commercial enterprise (i.e. excess power for sale into the grid).

One relevant example of a collaborative effort is my hometown, the village of Angoon. The Angoon Community Association (IRA tribe) and the village corporation

Kootznoowoo Inc. have been working diligently to develop renewable energy for both the village and potential commercial purposes for any excess power. The Tribe and the corporation have pursued the Angoon hydro-power project under the ANCSA amendments in the Alaska National Interest Lands Conservation Act (ANILCA). This provision, coupled with Title V of EPACT, could translate into renewable energy independence in the near future for the village of Angoon. The collaborative effort of pursuing renewable energy has also led to the possibility of developing tidal energy because Angoon is situated at the mouth of Mitchell Bay and Favorite Bay and has recorded 12 knot flows during the tidal ebb and flow. The long term commitment by both the Tribe and corporation will benefit current and future generations. It will lead to economic opportunity for lands in and around Angoon. The example created by Angoon's quest for energy independence is a method that can be used by other villages statewide. A unified effort from the City, tribe and village corporation creates an atmosphere for success in trying to relieve the high cost of energy.

The most precious and valuable commodity in any community in Alaska is the children. The future lies with them. The family and cultural values created by growing up in my village cannot be replaced or duplicated. I may live in Juneau, but Angoon is home. That feeling and sense of identity is universal statewide. So what does it mean when I allude to "Renewing our Future"? Just look into the eyes of your children and grandchildren.

In Alaskan villages, the increased energy demand created by LCD televisions, cellular phones and other new technology may one day be met using renewable energy. Our villages are analogous to energy. The demand for energy remains the same, but the

sources may change. We need our tribal members to remain if our villages are to experience economic renewal and we can do that by providing jobs and infrastructure. For Alaskan villages, “Renewing our Future” means the children need to get a good education. In doing this, we renew the future of the village and may even be able to stem the tide of out-migration so common in all villages. How often have we heard, “The kids get educated, but never come home.” Developing renewable energy coupled with educated workers may keep them home. When it comes right down to it, we all need jobs and wish we could come home.

When new technology changes overnight, an Alaskan Native with a good education will have the tools needed to adapt and change along with the times. To capture the benefits and opportunities created by developing renewable energy in the village, we will need scientists, engineers and good technicians to manage the infrastructure. It will be our own people filling these jobs. The time is right for other tribes and ANCSA corporations to duplicate what Angoon and a few other villages are trying to do by developing renewable energy. The economic impacts of cheaper energy will create a need for professional and skilled labor pools. Alaska villages will begin to thrive. The Obama Administration is receptive to educating the youth and developing renewable energy. ANCSA corporations and tribes would be remiss in our duties as stewards of the land and culture if we let these opportunities pass us by.

My dad said, “Once you get your degree, they can never take that away from you.” His encouragement and mentoring motivated me to pursue a Master’s of Science degree. At 51 years old, I returned to college to refine the skills I gained through twenty years of service to my people. Although this seems like a worthy effort on my part, the impact I am

proudest of is the effect I had on my niece. She concluded that if her uncle could return to college, there is no reason she can't pursue a college education as well. The more we educate young people by providing ample scholarships and grants from ANCSA corporations and tribes, the brighter the future looks for our Native decision makers. Renewing Our Future starts with educating our youth.

PLAN FOR A NEW NATIVE AMERICAN CENTURY

Jacquelyn Dyer, HOPI

Indian people are blessed with rich cultural heritage, a gift which we have preserved, despite the adversity we have faced. In order for the economic recovery to take place, it will be important to change the basis on which business practices were designed. Tribes can help with this in many ways by operating businesses in a manner that coincides with traditional values. Let's start with an introduction of where the ideas presented here came from.

Ever since I was small my grandparents taught me about the importance of conservation. I am water clan in Hopi, so most of my teachings had to do with water. My grandmother would tell me to turn off the water when we brushed our teeth, and to take shorter showers. Wasting water was disrespectful. She would take me out to our family's ranch to show me about the springs. She taught me that water is living, that water is life.

When I was older one of the last conversations I had with my grandfather was about the role of my clan within this world. He told me that he is from the bear clan and that the bear clan holds the world in their paws. It is a great responsibility and I was part of that heritage. He told me to take strength from my bear ancestry.

More significantly, I was born for the water clan. He told me that it is the water clan's responsibility to care for the water of the earth so that all life can survive. It was at that moment that I realized where my desire to be helpful to all in this life came from. I am Hopi

and we pray for and work for all life. This philosophy has transcended into my work amongst the business world and for economic development on the reservations.

In 2009/2010, I predict there will be periodic surges of growth in the economy. However, this will merely hide the underlying problem in our economy for a short period of time. A robust recovery will require a new playing field, one which must include new regulations in financial markets. Wall Street's insatiable greed must be replaced with a more sustainable attitude. This is where Native values can best contribute to an economic recovery. Native people have always cared for and thought about the welfare of future generations. The Great Law of the Iroquois Confederacy states: "In every deliberation, we must consider the impact of our decisions on the next seven generations."

We will achieve this when all businesses are held accountable for the social costs associated with their business operations. It should no longer be acceptable to realize profits at all costs regardless of the long-term effects on the health of people, the economy, or the availability of resources for future generations. Perhaps we can learn a lesson from the Hopi.

Hopi Villages used to have Village criers. Village criers would stand on top of the mesa and relay important information to the villagers. Often they would inform people when someone needed help fixing their house, or with their fields. This community approach to getting things done was an important way to keep the village in operation. Tribal businesses can take the village crier approach to doing business. Help each other and grow together, taking into consideration the benefit of all communities.

There are several approaches that tribes can take to help turn this economy around and create a better world for doing business. Many Tribes have invaluable resources such as forestry, energy, fisheries, water rights, eco-tourism and gaming, that can be utilized to create sustainable businesses while stimulating the US and international economies. Business development requires an infusion of capital which can happen with innovative finance practices.

First, we should make a goal concerning the economic recovery. "To create wealth." Real wealth. Different from much of the "wealth" gained in the financial sector during the last decade. Now let's take that a step further and ask what changes would our ancestors perceive or appreciate as valuable? There is little doubt to me that land would be at or near the top of their list.

After a century of neglecting tribal lands, I propose the Indian nations take a bold step and start a sustainable forestry initiative. Forests all over the west are in desperate need of thinning and burning. At the same time, Chevron is predicting that forest biofuels could replace up to 20% of petroleum consumption in the US. A progressive, new forestry plan which addresses climate change through biofuels, sustainable timber harvest, prescribed burning, etc is necessary. Natives were the original foresters of North America, using prescribed fire as an effective management tool. This would also create new opportunities with regard to forest recreation/hunting/fishing/ecotourism.

In addition to biofuels, tribes are blessed with solar, wind and geothermal energy resources. There are many existing projects happening on tribal lands that are in need of startup capital. Each tribe should assess its individual ability to produce energy from

various renewable resources. Stimulus money could then be diverted towards these projects. In this manner, tribes could make good progress towards improving the US energy supply, Native people's independence, and the environment.

Some tribes are engaging in sustainable fishing practices by constantly monitoring fish reproduction rates and setting quotas based on those reproduction rates. However, most tribes are still being taken advantage of by the process of fish buying in itself. To take a fish to market, it travels through several different channels with the price increasing each time it changes hands. During the 2009 commercial salmon fishing season on the northwest coast, fishermen were paid sometimes only \$.60 per pound for the best salmon in the world. That is an astounding price when the local market charges \$16.99 per pound for fresh salmon. Tribes with fishing rights can start their own fish processing plants which would then give them the opportunity to offer the tribal fishermen fair prices for their fish. This fish can then be sold on the open market, offering good profit margins to the Tribes because the channel of distribution would be minimized. The fish processing plants can also be utilized for food processing in the off-season. Food processing could offer local farmers a decent avenue to sell their goods.

Water rights present a great way for tribes to utilize their resources to aid in the economic recovery. Most native people are traditionally organic farmers of some sort, even the Hopi's living in the desert in Northern Arizona. We are learning that chemical farming has far reaching negative effects on society. Tribes could engage in organic and sustainable agricultural practices. This would provide much needed fresh foods and jobs to tribal members. The goods can be marketed as "Native Organically Grown" to provide income for

the Tribes. The goods could be sold on the international market at a discounted price by utilizing the sovereign nature of tribal governments.

Gaming was always a controversial issue for me until I worked for a gaming tribe. I learned that it is providing an important source of income for many Tribes. I also learned that there is an opportunity to manage the money in a more efficient manner. By doing so, the money can be used as leverage for many other economic opportunities to ensure future prosperity. For example, the money can be used to provide seed capital for small business ventures for Tribal members or to buy land. Tribal small business ventures would create a demand for goods, thus stimulating the economy. Buying land increases the land base by which tribes could promote sustainable ways of living.

Eco-tourism presents a wonderful opportunity to bring money into local communities while teaching others about our important traditional ways of life. This is represented in ecotourism's philosophies of having minimal impact on the land and cultivating the teachings of our ancestors. Arts and crafts have always been a big part of my family, and I have learned that this is pretty standard across Indian Country. People around the world are searching for more meaningful travel experiences. Nature tours and cultural experiences present a good way to fill this desire. Authentic Indian art makes the perfect souvenir.

Making all this happen requires capital. For small businesses, Native American community development financial institutions (CDFI) provide a perfect source for entrepreneurs to obtain low interest, non-traditional financing. CDFIs also provide financial education classes, small business success coaching, and credit builder services. As the saying goes, it

takes money to make money. It is also important to learn how to manage the money so it will continue to grow.

Native Americans can absolutely play an important role in the US and international economic recovery. To do so we must incorporate our traditional teachings of sustainability and respect for the earth into our economic plans. This will help improve the stability of our economy while preserving life for future generations to come.

Usquali (Thank you).

Economic Recovery - Hawaiian Style

Lurline Wailana McGregor, Native Hawaiian

There was once enough for everyone. That was before Captain Cook “discovered” our Hawaiian islands on his way to find a northwest passage, before the missionaries came to save our heathen ancestors and before the American businessmen called in the U.S. Navy to protect their land investments. For centuries before western contact, the Hawaiian people flourished. There was no disease, no hunger, no homelessness, no economic recession. That was then. Today, we who call Hawai‘i home are mostly mainstream Americans, often holding two or more jobs just to survive, and are dependent on the outside world for virtually everything, even bottled water.

When Captain Cook arrived on our shores in 1778, the population size was somewhere between 400,000 and a million. Complex agricultural systems, sophisticated fishing laws and a deep spirituality that was at the heart of government and community life were all evidence of a highly advanced people who had been living throughout the islands for many hundreds of years. Hawaiians knew when to fish and when to plant according to seasons and the phases of the moon, they knew what herbs and prayers to use to cure illnesses and broken bones, they had names for everything. Our ancestors had highly developed arts and leisure time. They spoke in poetry and metaphor and had great oratory skills. They could trace their genealogies back to the time when gods and humans lived freely among each other.

In the Hawaiians' worldview, everything was connected, including the trees, the stones, the birds, the stars. As humans, their role, or kuleana, was to be the guardians, to maintain the balance and harmony of all things. To help carry out these responsibilities, Hawaiians were born with spiritual powers, or mana. Any abuse or misuse of these powers would result in a loss of one's mana, as in leaders who showed greed or who did not act in the best interests of the people. Mana could also grow in those who demonstrated exceptional skills, whether it was in fishing, healing, canoe making, and so on. Great warriors and leaders were revered as having very powerful mana.

The cultural practices of the people assured that food would always be abundant and that the earth, in its bounty, would provide for everyone. These practices were based on taking only what one needed and only when those things were plentiful. When fishermen had successful catches they fed their families, then the community. They would trade with farmers for taro and other staples. Nothing was wasted.

After over two hundred years of western influence and immigration to our islands, our sovereign government is long gone, mana has no correlation to leadership and the global market now dictates the success of our tourism-based economy. In the mainstream, we are like most other Americans, bombarded by slick ads and peer pressure to buy large screen televisions, a new car every few years and more food on our plates than we can - or should - eat. We are encouraged to buy things we can't afford and don't need. Natural resources are being depleted faster than they can be renewed to keep up with this obligatory demand, a trend that making our land and water toxic and has contributed to our Islands' loss of sustainability.

High fuel costs and the downturn in the national economy have taken an enormous toll on our state. Fewer visitors to our islands have caused businesses to close and new construction to be delayed, which in turn has increased unemployment and is draining the State treasury. Our government leaders' response to this economic crisis has been to raise local taxes, decide which government programs to cut and whether to furlough or lay off state employees. These quick-fix choices do not present courageous or visionary solutions to this or future recessions, instead they only serve to reinforce how dependent we have become on the outside world for survival and what little control we as individuals have over our own lives.

While analysts predict that recovery is around the corner, they caution that the economy will not likely return to the high growth rates of the past few years, at least not anytime soon. This contention is supported by the ongoing instability of foreign governments, the aging of our own American population, now increasingly concerned about having money for retirement, and in the longer-term, the effects of global warming on the environment. Although we are gaining confidence that it is safe to spend again, we would be well served to take the experts' warning as an opportunity to re-think the economic philosophies that guide our country, our state, and most importantly, our own ways of thinking.

Although much in Hawai'i has changed, the values of our culture have been passed down to us, and by looking both backward and forward, we can forge real solutions that will improve our sustainability now and in the future. Growth in our western economic system is based on increased consumption. This is a contradiction to the most basic precept

that our ancestors passed down to us: take only what you need. If this idea can be at the heart of decisions that leaders, corporate executives and even consumers make, then economic crises will become obsolete.

We do not have to stop consuming or abandon our western lifestyles to achieve sustainability, nor does the gross national product need to grow at high rates every year to maintain a stable economy. If we consume only what we need, even when we are not in a recession, the economy will eventually adjust downwards and stabilize. This would decrease the power of the multinational corporations and the volatility and impact of global economics on our local communities. To think, this could all happen because we stopped buying things we don't need, or at the very least, started buying less of what we don't need!

The earth and the economy are inextricably tied together. As we deplete our natural resources we can expect that there will be increasingly less of everything in the future unless we think in terms of using less and replenishing what we take. This idea is consistent with the Hawaiian concept of kuleana, that is, taking personal responsibility to be sure that what we take is not more than we need and that we replace or compensate for what we take so as not disturb the balance of all things.

We adopted the ways of the colonizers in order to survive. In spite of the decimation of our populations, we are still here, and we still carry the DNA of our ancestors who understood the rhythms of nature and lived in harmony with the earth. Americans are starting to lose confidence that past solutions to our economic problems will continue to be effective. Our system may eventually collapse if we do not fix what's really wrong. As

Native people we are in a position to help shift the paradigm of western economic thinking by leading through example – consuming less and taking only what we need. The more we take responsibility for our own actions and support leaders whose policies are in our best interests, the sooner the changes can start to be made that will assure the survival of our grandchildren, their descendants and most importantly, our beloved Earth.

The Accomac Business Model

Melissa Tantaquidgeon Zobel, The Mohegan Tribe of Indians of Connecticut

Our Native communities have survived long enough to see some of our ancient values—like respect for women and Mother Earth—fall in line with the ideals of the rest of the world. When I Googled the United Nations’ web site, I found a section called “Women Watch,” promoting the rights of women. Another header brought me to “The United Nations Department of Economic and Social Affairs.” It featured an indigenous people’s discussion on the arctic, and related issues of climate change. Clearly, Respect for Women and the Protection of Mother Earth are ancient Native values which are now idealized by the modern global community.

In the business world, however, we have always been hesitant to assert our Native values. Deep down inside, we still assume that business is not our area of expertise. That is a mistake. Nowadays, the light of world opinion shines brightly on corporate greed, making this the perfect time to promote an alternative, Native, business paradigm.

Over the last few centuries, we have successfully adapted to new occupations and enterprises. In my tribe, we traditionally fed our families by working as hunters, fishermen, and planters of corn. We later became carpenters, housekeepers and stone masons. More recently, some tribal citizens have even been educated as lawyers, teachers, nurses and CEOs. What is amazing is not how much our livelihoods have changed, but that we still have people who choose to be hunters, fishermen and planters of corn. We did not lose all of our ancient ways. We only added new ones. That is the strength of Native societies. We do not

sacrifice the old for the new. We know that we need old lessons, as well as new ones, to survive over the long term.

In my language we call this longer, broader view of things the *Accomac* perspective. *Accomac* literally translates to mean “the long view from across the water,” or in more familiar terms, “seeing the forest from the trees.” Success in business should depend on an *Accomac* view. In this essay, I call for a sustainable Native business plan using the *Accomac* Model in which we look at our businesses with Native eyes, focused on long term goals.

We, Natives, have more to offer in terms of business savvy than we think. We simply need to foster a business paradigm that reflects our culture. My tribe started to create such a model with a training program called “The Spirit of Aquai,” but we still have a very long way to go. In it, we present employees with norms of tribal conduct, as our company’s standard. One of those norms is the primacy of respect for all people. Many languages are spoken at our business and our Chairman leads by example, attempting to address many different language speakers in their Native tongue. As a typical Native community whose language was long forbidden in our local schools, we understand the importance of respecting people’s native tongues.

This example of a Native corporate value shows that our ways do not have to be used to foster insularity. Rather, I believe that Native nations should share more, not less with one other and the world at large. We must not only share through blogs and meetings, but also through venues provided by non-Indian institutions. Take Dartmouth College’s “Occum Scholars” program, in which Native students travel to different reservations to meet with traditional and business leaders. Those students share and absorb information about the cultures and economies of other tribes. I single out this program, because it

shows that some of the best and brightest Indian youth are choosing to learn about tradition and business development, in tandem. Perhaps these young people will be the ones to create a successful, new Native business paradigm.

A projected *Accomac* business model must also address the way Native communities spend money. We know that we allocate funds to forward the goals of the group, not the individual. We also know that money is usually spent on both preserving the things of the past and creating opportunity for the next generation. For example, as soon as my tribe's economic enterprise generated its first positive cash flow, we funded the preservation and reclamation of sacred sites, housing for our elders, tribal health, and college tuition. When Native communities enjoy healthy economies, Native people take comfortable steps, backward and forward, at the same time. We consider not only where we come from, but where we are going, many generations from now. Like some other tribes, my people describe this non-linear movement using The Tree of Life. We say that our elders form the tree's roots and our children are its branches. We know that we must care for the roots and the branches, as well as the trunk of the tree, made up by the rest of us, who are somewhere in the middle.

As someone who truly lives and works in the middle of a tribal world, I often see hostility between the proponents of cultural and business interests. That situation exists not because both sides necessarily have different goals, but because many Natives equate good business with the values of the Non-Indian world. That means that many traditionally-minded folks feel compelled to oppose tribal business development, because they sense that it is eroding tribal culture. I work in my tribe's cultural department, so I sometimes hear culture-advocates saying that they wish our business would go under, so

tribal people can focus wholly on culture. This sort of attitude makes business-minded Natives defensive. They do not see how they can successfully promote tribal economic enterprises and participate in cultural activities, without exposing themselves to ridicule. Their discomfort often triggers a knee-jerk reaction, in which they defend non-Native business practices and values, rather than separating good economics from tag-along values which are anathema to their own.

Because the global values of the planet are changing, there is no need for Natives to continue to follow an outdated Non-Indian business model in pursuit of tribal economic development. Now is a good time to consider something better. Only when we, Natives, conduct our businesses according to our own values will we truly flourish over the long term. Only then can we look to a sustainable economic future with confident and contented Native eyes. Now is the time to take the *Accomac* view.

America and the Whale:

Strengthened Economy through Smaller Community

Methanie Ongtooguk, Kotzebue/Fairbanks

I am Inupiaq and my children are Inupiaq, but we live cut off from traditional life. We read about it and we garner what we can from relatives. We are the legacy of a western system that used education as a tool to sever our connections as Alaska Natives. I am neither fluent in my Native language, nor capable of recognizing plants native to the land of my birth. But I believe that I am responsible for my heritage because now it is not only my history, but it is the foundation of my children's lives.

The history of Native Peoples in America is marked by continual, methodical marginalization. While progress continues, we still find ourselves largely excluded from western society and economy. Alaskan Natives who have chosen to live or who were born in urban centers are particularly marginalized because we have limited opportunities to participate in our culture. The continuing disconnection between urban and rural Natives reduces social and economic ties of both groups, and makes it difficult for ambitious young Natives in urban and rural centers to justify returning to and strengthening rural life.

When Congress passed the Alaska Native Claims Settlement Act, it stated in section 2(b) "the settlement should be accomplished rapidly, with certainty, in conformity with the real economic and social needs of Natives....without establishing any permanent racially defined institutions, rights, privileges, or obligations, without creating a reservation system or lengthy wardship (ANCSA, 1)" This defined the purpose of the legislation as meeting the needs of Alaska Natives, both economically and socially. Since the passing of ANCSA, Native owned corporations have helped achieve the goal of generating income, but they have not

been very successful in strengthening ties between rural and urban Natives. While avoiding the pitfalls of reservations and their legacy, corporations are not sufficient for meeting both the social and economic needs of Alaska Natives. The creation of a process to formally join regional tribes, recognizing and including both rural and urban Natives, would redefine the social and economic connections between urban and rural Alaska. This would go a long way toward establishing a sense of economic and cultural responsibility to our people.

The problems afflicting the Alaska Native economy are of values first, dollars second. The decision of where to spend money is a moral decision and one that America has largely forgotten, especially with the onset of globalization and free-trade markets. The destabilization of the United States' economy is a symptom of a greater dilemma, based in the devaluation of social costs or benefits resulting from economic decisions, as well as a lost sense of genuine community. Native communities have thrived on a traditional, holistic system of sharing which generated a sense of belonging, purpose, and responsibility in everyone. Within whaling communities this was the distribution of the whale; in other parts of Alaska it was the distribution of salmon, caribou or moose. In western communities, farmers' markets and community shared agriculture programs are becoming increasingly successful, in part because of their contribution toward drawing community together. In order for Alaska to contribute positively to the overall economy of the United States, its local economies need to be strengthened first. The most viable avenue for rapid change is to focus on the health and stability of small communities.

Inclusion and recognition of community members is essential to strengthening the social, cultural, and economic reality of Alaska, yet many regions of Alaska are still without formal processes for tribal membership. In a study by Stephanie Martin and Alexandra Hill,

as of July 2009, there were an “estimated 20,000 to 25,000 Alaska Natives living outside Alaska, including some who are attending colleges and universities” out of an estimated 122,000 Alaska native people (Hill and Martin, 2). Tribal distinction would allow those members of Alaska Native communities to recognize and be recognized more easily outside of their regions, providing support and a sense of culture regardless of their environment.

Additionally, tribes provide pathways between the urban and rural, both socially and economically, by ensuring a sense of responsibility and belonging between each. In few other parts of the United States is there a greater difference between members of the same culture as between those from rural villages and Fairbanks or Anchorage. Estrangement between urban and rural Alaskans weakens the cultural and social connections and thus the economy, since there is little encouragement to bring skilled workers or college graduates back to rural Alaska. There is limited support for new businesses which would strengthen local economies through job creation and there is little incentive to keep dollars within the community. If there is only a vague sense of who participates in a given community and who those dollars impact, then those who experience financial failure or financial success are removed from each other, unable to see that each of their decisions has the potential to impact or improve the other’s way of life.

Cultural responsibility lends itself to economic responsibility. When community is distinct and defined, economy is distinct and defined. Individuals are no longer choosing between investing their money in strangers: choices arise between friends, relatives, tribal members, fellow Alaskans or multinational corporations. Jobs, education, medical care and the quality of these services become personal, laws become personal, and governance becomes personal because the individual is responsible to specific members of the

community and not to strangers. When a person is judged by their contributions and ties to the community, above what they own, we will find a healing community and a healing economy.

Essential to the establishment of formal processes of tribal membership is the inclusion of those who have been raised both in and out of traditional lifestyles. Being successful in the Western world does not mean that traditional life has to be forfeited and being successful in the rural world does not mean that Western success is impossible. Urban Natives raised in the Western world need induction into traditional life, beginning with a working knowledge of traditional language. Without language, culture has limited context and more importantly, connection is disrupted to elders and esteemed members of the community. Providing urban centers with childcare facilities that teach and maintain Native languages is essential, as well as incentives to encourage Native language speakers in public schools throughout both rural and urban Alaska.

In New Zealand, the Māori have created Te Kohanga Reo, also known as a “Language Nest.” It functions as a children’s learning center taught entirely in traditional language and “covering cultural, spiritual, social, economic, and educational aspects of Māori life (Te Kohanga Reo, 3).” Parents are strongly encouraged to join and participate. It is essential for this program that everyone involved have a sense of belonging and acceptance, and as a result, self-determination, which strengthen Māori values and culture.

Books in native languages are now being published and provided for students in third world countries on behalf of the Room to Read Foundation, created by former Microsoft Senior Executive John Wood. While visiting schools in Nepal, he realized he could help establish strong, sustainable schools by publishing books in Nepalese with content

relevant to Nepalese life. This concept surfaces occasionally in Alaska, but often without sustained funding or dedication. Many books written in Alaskan Native languages are now out of print, despite the need for them. Supporting writers, illustrators, publishers, and editors from the Native community would strengthen not only traditional language and culture, but also local economy.

With the teaching of language and the conveyance of meaning, a genuine sense of culture and belonging is created which does not exclude on the basis of proportion of Native blood or place of birth. With Native language skills, Alaskans have another way to teach children, passing on values from elder members of the tribe. In this way, another layer of community is created, strengthening our culture. Communication skills are essential to build ties within families and between families. Through a healthy sense of shared history and being connected and committed to our culture, our communities will become closer knit and more stable.

The United States loves its image as a nation of many nations, the refuge of varied and distinct cultures. Yet it is a failure of foresight to believe that as Americans, we must separate and insulate our cultures; honestly, in Alaska it's impossible. America settled itself upon us. It is us and we are it and there is no separation. It is essential for the United States to strengthen its social and economic fabric with the values of the Native peoples living here, and it can do so by learning our history, our basis for economic distribution and social status, and the value we place upon members of the community. Stronger, smaller communities, the traditional model for Native people, can create thriving economies, opportunities, and a sense of responsibility in those who are searching for sincere belonging.

The creation of tribal citizenship in Alaska —politically, historically, and socially— as well as a recognized process to join tribes and the ability to speak and understand our language is essential to my own and my children’s future. It is not enough for my family that the economy alone recovers; our family needs more. My children and myself need a path toward tribal participation and recognition, we need to know that no matter how far we travel or wherever we decide to live, we are representatives of our Alaska Native community, responsible not only to each other, but also to our extended families, elders, friends, and fellow tribal members.

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Native Americans and Small Business Ventures: Bright Hope for Economic Recovery

Samantha Johnson, Sault Sainte Marie Tribe of Chippewa Indians

As nearly everyone is aware, there are sobering economic statistics facing our country at the present time. According to the U.S. Bureau of Labor Statistics, the current unemployment rate in the United States is 9.6% (August 2009), and the unemployment rate for Native Americans is generally believed to be at least two times the national rate (according to the Harvard Project on American Indian Economic Development). Some sources estimate the figure of Native American unemployment to be as high as eighty or ninety percent in some states.

Hand-in-hand with those alarming statistics is the startlingly low number of businesses that are Native American or Alaskan Native-owned. Out of the nearly 2.5 million American Indian and Alaskan Natives in the United States, only 206,125 were reported as owning a business in 2002 (Source: *Native Americans in Business, Economics and Commerce*).

Thus, in the current treacherous state of the American national economy, it is our opportunity as Native Americans to embrace these statistics as an impetus for change. In light of the fact that a lack of capital is often cited as an obstacle in the formation of Native American businesses, the creation of small businesses can be an effective answer.

Stephen Cornell and Joseph P. Kalt, authors of *What Can Tribes Do? Strategies and Institutions in American Indian Economic Development* recognize "Private (Micro) enterprise with tribal member ownership" as "an economic system based on the individual, family, or small group entrepreneurship of tribal members. In the face of scarcity of capital

in Indian hands, it envisions a reservation economy consisting primarily of small businesses ('microenterprises') that are started, owned, and operated as private businesses . . . it recognizes that raising large amounts of capital is inconsistent with the generally low level of savings in Indian Country. . ."

Small business growth is vital to the restoration of our economy, through the creation of local jobs and the stimulation of local economy. And if we consider that within the demographic of the Native American and Alaskan Natives we have over two million opportunities for new small businesses, we have the prospect of truly influencing the American economy in an extremely positive way.

"Small and minority-owned businesses must play a significant role in our efforts to restore economic growth. Small businesses employ half of the nation's private sector workforce; create a large share of the Nation's new jobs; and introduce many groundbreaking ideas into the marketplace," said President Barack Obama in August, 2009.

If we consider the fact that less than ten percent of Native Americans and Alaskan Natives are involved with their own business, it is indeed exciting to imagine the impact we could have on the national economy if fifty, sixty, or even seventy percent of us were able to begin small businesses.

Aside from the tremendous impact that this type of goal would have on individual business owners, let's not overlook the extended influence that these businesses would have on others in the Native American community. With businesses that are Native American-owned and operated, discrimination would no longer be a factor for Native Americans applying for positions of employment. We would not feel disadvantaged when

applying for a job at a company that would recognize our unique talents and aptitudes as Native Americans.

Therefore, if increased numbers of Native Americans establish small businesses, and employ other Native Americans within their companies, this also helps to reduce the unemployment rate, which in turns helps to improve the economic situations of those specific individuals, and also creates a significant effect on the national economy.

But how can we achieve these goals---how can we logistically increase our small business numbers and decrease our unemployment numbers? According to the Small Business Administration, "The [Small Business Administration's] Office of Native American Affairs ensures that American Indians, Native Alaskans and Native Hawaiians seeking to create, develop and expand small businesses have full access to the necessary business development and expansion tools available through the Agency's entrepreneurial development, lending and procurement programs."

The education of our young people is obviously paramount. We must decrease the high school dropout rate and increase the number of students that pursue further education. But even beyond the basis of a high school diploma, there must be more to entice youngsters to desire and work to achieve a better, brighter future.

The same principles that guided our elders can still provide guidance for us today: the prized virtues of hard work, thrift, ingenuity, and perseverance are all as vital to us today as they were in the past. These are the virtues that helped build our nation. If not for the industrious---if not for the visionary---if not for the eternal possibility of achievement and freedom and prosperity---and if not for the continual and unceasing influence of the Native American, our nation could not have achieved such vast successes.

The average American has little opportunity to affect major change in the economic system. The average American has neither the power nor the wherewithal to create a national economic revolution---however, our collective ability and our unique position as Native Americans allow us to act as leaders in the new and ever-changing economic state of America. We have the power to draw on the centuries of our rich and glorious heritage as we explore new and groundbreaking forms of entrepreneurship.

Let us hold tightly to our heritage while we boldly reach for the future, with our ingenuity, innovation, and inspiration to guide us. With peace and perseverance, we as a nation will triumph over these trials, just as we have in the past.