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Alaska Federation of Natives Convention

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Notes: Original in 7-inch tape, master copy on CD. Produced by Roger McPherson. THESE TAPES WERE PRODUCED AS A PART OF AN EXPERIMENTAL PROGRAM NOW DEFUNCT AND WERE BROADCAST OVER THE RADIO FOR EDUCATIONAL PURPOSES.

A man is giving a speech: The board of directors of the corporation has been meeting. They met yesterday and tried to put together objectives for the organization, taking a look at the responsibilities that have been placed on Native people as a result of the land claims settlement. They came up with four major priorities for the organization:

The first is the retirement of all current debts of AFN that were divided into two categories. The priority is in all those loans that incurred during land claims effort, and other indebtedness that was accumulated in the past and since the claims act was signed.

Number two is to develop administrative responsibilities of AFN Inc.

The third priority is to assist regional corporations in implementation of the Native Claims Settlement Act. That was divided into 5 other categories, which are: 1) Assistance of an attorney in Washington D.C. for the lobbying effort. 2) The need to clarify amongst the regional groups that have attorneys down there what approach they are going to use in pursuing their future lobbying efforts. 3) They also need assistance with land selection and withdrawals, assistance in area's financial investments, legislative layers in monitoring both congress and state level, and lastly, training and priority programs. 4) Priority no. 4 is to implement

socioeconomic programs to benefit Native people, including research into their needs in areas such as health and education, examination of availability of such programs, obtaining grants and funding to administer self-supporting programs, developing new government programs to benefit Native people, develop ways of minimize use of Alaska Native Claims settlement funds to replace government obligations while still fulfilling socio-economic needs of Alaska Native people, and assisting in training Native people in these categories, working with the regions to coordinate efforts to develop human resources and develop management skills. Simply the administration of the act is a serious demand on the native people both in the regional and village level.

5) [Fifth point is] the work with state and national labor, employers and government officials to ensure increased training and employment of Alaska Native people.

3:34 The speaker says they have accumulated quite a few different programs in the organization, [which is] sort of a topsy-turvy approach. They've had everything from nutritional assistance to on-job training to education, health and just about everything they found having some overhead for the organization. The speaker thinks it's necessary for them to look at some priorities. [Break in the recording.]

4:14 Another man says that while books are being distributed, he'd like to bring to attention of the convention that this project has been worked on ever since the passing of the land claims act by the AFN Inc. and consultants. The final product is put together by the Boeing Company [?] and it does a pretty good job about outlining the goals of future course of action by AFN. He hopes people would study it carefully and thinks that some recommendations in the publication are very good.

At 5:00 another man says that AFN was organized in 1966 and that some of their objectives promote pride and cultural preservation, health, physical, economic and social well-being of Native people, and they discourage prejudice. Those are values that they have accumulated over time, and their biggest program is their

health-affairs program for Yukon-Kuskokwim area and Norton Sound area, and also assisting other regions in setting up health programs.

The settlement act took about 6 years to achieve and now they have organizations that are “in concrete.” They also have a law they have to deal with and they are not as flexible as they used to be because of the corporations. They have an opportunity to control their destinies to some degree because of the organizations and they are in better position in participating in local and national affairs in order to develop their people up to their fullest capabilities. They will have funds that they need to invest and they will have title to land and natural resources which will help them to develop a strong and stable economy where they don’t have any now.

However, the settlement act has some serious problems involved in it. For one, there’s a specific provision that says that none of the funds can be utilized for political activity. If that was a provision that would apply to all the corporations they could “stomach it,” but shouldn’t it be possible for them to protect their interest like all the other citizens? They will have to be involved in politics in order to protect the settlement.

They have called forth establishing at least 200 corporations and all of those organizations need to have staff, managers, accountants, experts in various fields and this will cost a good deal of money.

8:03 According to the act, a great bulk of the money will come in a great rush over the first two years if government acts as it’s supposed to. They have to have plans to utilize the funds so that they will be utilized instead of being eaten up by inflation. One half of the money has to come from utilizing natural resources, that’s the 2% money, and it’s uncertain when it will start coming to Native corporations. That money depends on oil production and the Trans-Alaska Pipeline. They have a limited amount of professional help and yet the act calls for nationally known auditors who can audit their books. They also have a real problem in finding capable Native people who can handle operations of the corporations. They have an unfamiliar corporate structure and not many of them

have been involved in corporations before. Yet, they are called upon to understand what corporations are, how they work and so on.

The legislation indicates that the stock will become alienable, which means it can be bought and sold. It reminds the speaker of the Indian Allotment Act that was passed in 1880s. The states of Oklahoma and other places, the tribal lands were sub-divided into 160-acre sections that were to be held in trust for 20 years until the people would become familiar with private holdings. After 20 years they became alienable and the tribes lost millions upon millions of acres. That might happen with their stock, too, if it becomes alienable in 20 years like the act says. They have 20 years to really put the thing together and hold it together. The relationships between regions, boroughs, villages, and stockholders are poorly defined. The Congress didn't give all powers of governing and business to one corporation, but the law divides it to municipalities under state laws that have governing functions. They also gave business powers to regions. They can have for profit and non-profit corporate powers.

They have moved from subsistence economy into high-powered corporate world where certain disciplines are required. They have legal and moral responsibilities to stockholders: They have to make profit, have reports for stockholders, management requirements, legal requirements, bookkeeping and audits, proper corporate [unclear], contracts that have to be in order, business continuity, knowledge of their goals and objectives. They also have to be aware of their needs for financing various expenditures they may be getting into and so on.

12:51 The speaker continues by telling that land claims settlement act places a substantial responsibility on Native People. There was no provision for a statewide organization in the bill itself although there were various propositions to include that. Without a statewide organization, however, the settlement wouldn't have been possible. The speaker sees it as an absolute necessity for them to have a statewide organization and it needs support from regional organizations in order to have the organization functioning. He hopes that the regional leaders will see that it's going to take commitment to ensure that they are on top of the influences that will affect the land claims settlement.

In some respects, he thinks that Don is right and thinks that it's possible that the whole act was designed to be a failure. He says it's going to take skill to see that lands and funds are retained and that the funds are made to work for the people. Also, he hopes that 50 or 100 years from now, there will be something left over for people's descendants.

He thanks the audience. [Applause.]

15:31 Another man's voice [Willie Hensley?] says they'd like to note the presence of Senator Ted Stevens and welcome him to speak.

Stevens says he doesn't have any prepared remarks and that he's going to give a brief overview on how he sees the situation in Washington. He thinks the Congress responded to their request for changes that make the land claims settlement work. He tells that appropriations committee made available the advance of up to \$500,000 dollars to each regional corporation on Stevens' request so they can commence work on land claims act. House has been rewriting their amendments, but anyhow they have a secured approval for the amendments that have been in Senate Appropriations Committee. First amendment was a rider to the first appropriation under the land claims act.

[Unclear] added another million dollars to that so that if there were any programs that would need to be carried on and that wouldn't be met within \$500,000 dollars, there should be another million dollars discretionary advance monies. 2nd Amendment was approved and they adjourned the Senate due to Stevens' request after discussing the problem of AFN debt. The amendment will permit the regional corporations to loan money to, or guarantee the AFN debt, if they so desire. The amendment that passed the senate would have actually allowed the repayment of the debt, but because of some technicalities concerning regional corporations, they agreed to a modification of the amendment. Now it's possible for regional corporations to loan money for AFN or to guarantee the loans.

18:30 Stevens thinks that other problems will arise in the future that must be dealt with in similar fashion, but he says he is hopeful that the timing that's set up by the act requires completion of the enrollment, and will lead to the formation

of the corporations on permanent basis. He believes that there will be a distribution of land settlement funds and that they won't need amendments like that, although there will be other matters that need to be dealt with, such as land and organizational problems.

Stevens urges people to look at the land claims bill and see the philosophy that was involved in the settlement that Stevens thinks was a good one. The regional corporations will be receiving 50% of the funds of the settlement, and they need to invest the money and conduct their operations in for-profit –basis so that the next generation and generations after that will benefit from the settlement.

50% of the money will go to village corporations to be utilized as they see fit, or in some instances it's divided per-capita basis like in urban areas. Many people have asked him why regional corporation –model was accepted in Congress and Stevens thinks that it was done so they could prevent the problems that have affected other land claims in the past. In many cases, the monies were rapidly dissipated and were not properly managed and 2nd or 3rd generations were worse off than their forefathers at the time of the settlement. Stevens urges people to keep in mind that the investment of those monies by regional corporations must be on profit making basis so the future generations will benefit, too, and not only the people who are the first generation of the settlement. It's possible to create jobs and preserve money for future generations.

22:25 Again, Stevens urges the regional corporations to invest not only towards social betterment, but towards preserving the money in their treasuries. Stock is not transferable in 20 years and that was done so that another generation would be involved in managing the money. [End of the recording.]