



COMMONWEALTH NORTH

Urban Rural Unity Study

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Why is Commonwealth North doing this report?

For over 10,000 years, people have made their homes in Alaska. Today Alaska's people are diverse in history and heritage and in their ways of living. This diversity is a great strength. But in recent years misunderstandings and conflicts have frayed the economic, political, and social fabric of our State. This is costly for all Alaskans.

Conflicts between urban and rural populations have existed in all cultures throughout history, and they continue to exist both in Alaska and in the Lower 48. In Alaska these conflicts are especially divisive, partially as a result of land ownership patterns and a dependency on government for economic activity. The formal government structure does not easily accommodate the needs and traditions of Alaska's rural population. Competition for the allocation of the State's fiscal resources results in increasing resentment on all sides. As Alaska's population increases and continues to become more mobile, pressure increases also on our natural resources, especially fish and game.

Commonwealth North is a statewide organization with both rural and urban members. Its mission is to address issues of importance to the whole state. Alaska cannot progress in the future if the tensions between urban and rural Alaska are not recognized and resolved. Commonwealth North has undertaken this report to encourage insight and understanding, and to help lead the way to a unified vision of Alaska's future.

What does Commonwealth North hope to accomplish with the report?

Commonwealth North hopes this report will contribute to an ongoing process of bringing Alaskans together. We want to help build awareness and understanding of our differences and to encourage recognition of shared goals and needs. The report is not intended, in itself, to provide solutions to today's urban-rural tensions but to encourage cooperation and mutual respect and to propose a shared vision for the future. The report is not a rigorous academic product but a hands-on, grass roots look at Alaska – who we are, where we are going, and where we should be going. We hope this report will be one step in the process of developing a vision for Alaska's future that can be shared by all Alaskans.

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Executive Summary

What are the most significant issues?

To achieve a unified vision for Alaska's future, we believe the main issues that must be addressed are: (1) economic survival and development, (2) quality, delivery and control of local services, and (3) access to fish and game. The body of this report discusses each of these issues in detail, using the next decade as our basic frame of reference. Each section of the report includes descriptions of some specific real world "success stories" as illustrations that some communities already are making progress toward a resolution of these issues.

In examination of these issues, certain broad needs emerged that must be dealt with in order to develop a full partnership between "urban" and "rural" Alaska:

- The need for cross-cultural understanding through enhanced personal contact and education of both urban and rural viewpoints.
- The need for cross-cultural understanding of how essential subsistence hunting and fishing is to rural Alaskans, and yet how important hunting and fishing is to urban Alaskans.
- The need for recognition that local decisions are best made by local people at the community level and may be influenced or implemented by municipal and tribal governments.
- The need to encourage communities in their efforts to promote meaningful economic development and career opportunities for their citizens.
- The need for statesmanship and leadership with a statewide (not just regional) perspective, in both the public and private sectors.
- The need for state and local funding mechanisms to be equitable and sustainable.
- The absolutely essential need to create and maintain an effective education system for its economic as well as social benefits.
- The need to require meaningful instruction in Alaska history for every student.
- The need to make access to utilities, transportation, justice, health care and modern high-speed telecommunications available throughout the state.

What would the ideal look like?

Utopia is not achievable, but it *is* possible to achieve a more harmonious Alaska that honors and respects the diversity of its people and recognizes the many areas where urban and rural interests coincide. Many assume that our cultures in Alaska are exactly alike and expect Natives to behave like urban Alaskans. There are two components to the perception gap. Many do not realize what we have in common. At the same time many are not aware of the real differences between Native and urban cultures. Alaska has an

opportunity to create a unique society that draws upon both the traditions of Alaska's Native peoples as well as our nation's historical system of state and local government. In this unique society:

- We envision a future with rural and urban Alaska working together for the good of the whole state, regardless of how "urban" and "rural" may be defined.
- We envision a future where rural and urban Alaskans work together to assure that internal development, value-added businesses, local micro-business, logistical infrastructure, and support industries are encouraged and enhanced for the long-term economic, political, and social benefit of the whole state.
- We envision a future where responsible political leaders consider both the good of the whole state as well as the interests of particular neighborhoods or districts or population groups, and where citizens take an active role in the decision making process.
- We envision a future where all Alaskans have access to an effective local government structure in some form that provides a means for exercising local influence on important issues.
- We envision a future where our commonly owned resources are managed for the common good of all Alaska's people.
- We envision a future where all Alaska's people respect and care about each other.

A basic element of the envisioned social and economic partnership between urban and rural Alaska is recognition of people's right to support their families in the manner they choose and in the location of their choice. For this reason, one of the goals is to encourage the economic viability of the smaller "rural" locations in Alaska and to maintain the diversity of cultures and lifestyles in the state. Likewise, an equally important goal is to foster understanding of the economic, political, and social inter-dependence of rural and urban Alaska, so that all Alaskans truly understand that Alaska's future depends on cooperation between urban and rural Alaska..

Building and maintaining this partnership will require communication, understanding, respect, and identification of mutually agreed goals and expectations. This report suggests what some of those goals should be and suggests processes for moving in this direction – toward a unified vision of an effective partnership between urban and rural Alaska.

What is "rural" and what is "urban"?

The tensions that divide Alaskans appear to be primarily between urban Alaska and rural Alaska. In shorthand terms, "urban" Alaska is seen by some as representing a cash economy, formalized government structure, ready access to public services, competitive individualism, and an increasingly multicultural non-Native heritage; "rural" Alaska is seen by some as representing a subsistence economy, informal traditional governance, inadequate access to public services, communal decision-making, and a substantial Native heritage.

In fact, there are no generally accepted definitions of "urban" and "rural," and the terms have different meanings depending on the purpose for which they are used – for example, access to fish and game,

legislative apportionment, or allocation of public funds. Common definitions are based on a variety of characteristics including population size, extent of road or rail access to population centers, type of local government structure, means of livelihood, and predominant language. This report does not rely on any particular definition; it uses the terms “urban” and “rural” simply as loose groupings of similar interests and circumstances – not in any technical or legal sense.

(For other definitions, see the Commonwealth North web site www.commonwealthnorth.org Urban Rural Unity Study section.)

How did we get to this stage in urban-rural relationships?

Statehood and the discovery of oil in the mid-twentieth century were the catalytic events that produced both today’s conflicts and the means to resolve them. The origins, however, of the relationship between indigenous Alaskans and other peoples date back to European and Russian exploration in the eighteenth century. In more recent times, over the course of the twentieth century, the size and distribution of Alaska communities and the character of the Alaska economy have changed dramatically. In the nineteenth century, before the Gold Rush, most Alaska communities were small villages established by Native people in places limited by the reachable subsistence resources. With the Gold Rush at the end of the nineteenth century, many people from other parts of the nation ventured into interior Alaska, and the urban centers of today – Anchorage, Fairbanks, and Juneau – had their beginnings.

Unlike the Native people in villages at that time, the new arrivals were almost totally dependent on a cash economy. Exporting goods and services generated the economic life of their communities. They sold fish, gold, copper and other natural resources to the outside world; they provided transportation, territorial government, health care, education, tourism and other services that were paid for by sources outside the community.

As elsewhere, the efficiency of these new cash-dependent communities was enhanced by size because of economies of scale. In contrast, for a subsistence community, larger size can be a disadvantage; more people in the community mean more competition for the subsistence resources in the area.

These patterns of settlement and community size – a few growing urban centers and larger numbers of small subsistence villages – are found throughout the world. Today, the distinction between cash and subsistence communities is eroding. In even the smallest village, cash is now essential to survival and necessary to subsistence. Snow-machines and all-terrain vehicles have replaced dogsleds; hunting and fishing require ammunition and gasoline. Rural communities now contribute significantly to the growth and strength of Alaska’s larger cash economy through commercial fishing and other activities that export goods and services. ANCSA Native corporations own and operate Alaska lands and businesses that generate great wealth.

Still, the broad outlines of the historical pattern remain. Alaska has a few large, urban communities with economies that bring new money into the state and generate growth, and there are many small villages where it is difficult to earn a cash income, and where distance and the absence of economies of scale significantly increase the costs of goods and services that require cash. At the same time, natural resources that are extracted from rural Alaska feed the urban economies of the State, and frequently do not contribute directly to the local economies where the resources originated.

Past population patterns have shifted dramatically. Today, perhaps under forty percent of the people who live in Alaska were born here; and forty two percent of the people in Alaska live in Anchorage.

During the last half of the twentieth century, these changes were accelerated by a series of major events that affected the ownership and control of land, money and political power in the state. In terms of land status and ownership, Alaska remained a frontier – a public domain, a vast federally owned commons – until well into the second half of the twentieth century. This was all changed by three major federal land laws starting with the Alaska Statehood Act of 1959, gaining momentum with the passage of the Alaska Native Claims Settlement Act (ANCSA) in 1971, and culminating in 1980 with the passage of the Alaska National Interest Lands Conservation Act (ANILCA).

In the two decades between 1959 and 1980, Alaska's land was changed from "open range" to many different ownerships. This was not an easy process, and it has left participants on all sides of the struggle with a sense that they had lost ground. Once all groups – Native people, developers, and conservationists – had felt, rightly or wrongly, that all of Alaska was open to them. Now limits have been imposed on all.

The State land selections following statehood and the discovery of oil at Prudhoe Bay were the motivators for the redistribution of land ownership brought about by ANCSA. The State needed to be able to assure clear title to the land, so that the oil companies would proceed with development. Alaska's Native people emerged from the land allocation struggle with ownership of much of the habitable land – rich in subsistence resources along rivers and coastlines, with money and, very significantly, with regional and statewide corporate structures through which they could exercise political and economic power.

For a while, rural Alaska was a powerful force in the Legislature through the "Bush" caucus that was allied with Fairbanks. More recently, however, other developments have resulted in a decline in rural power in the Legislature. In the 1960's and early 1970's, a series of federal and state court cases required that the Alaska State Legislature be reapportioned based solely on population (including the military population). As a result of this change, the rural, primarily Native, areas of the state lost significant political power.

At the same time, numerous new opportunities for Native leadership were developing within the ANCSA Native corporations, both the regional corporations and their non-profit arms, and within the general business community. The availability of these opportunities may have diverted potential Native political leaders from the political arena, further weakening the rural voice in the state Legislature.

In addition to these long-term historical developments, Alaska – like the rest of the world – is being affected by the significant changes in technology, communications, education and transportation that are occurring globally. These changes are causing major structural shifts in Alaska society.

The following detailed sections of this report attempt to provide a framework for further discussion and analysis to help create a more unified Alaska.

I. What are the issues?

A. Access to fish and game

One of the major flash points in the urban/rural divide has been subsistence. Despite a presumed majority approval of the Alaska population in general, the Legislature has failed to allow Alaskans to vote to adopt a constitutional amendment that would bring Alaska law in compliance with federal law. This resistance goes back to 1990 and includes five special sessions and two regular sessions of the Legislature. Many rural and urban citizens are upset that a small minority of legislators can prevent a test of the popular will on this subject. Whether it is through constitutional amendment, or through other means, resolving priorities in access to fish and game, along with related management issues, is central to bridging the urban/rural divide.

1. Many Uses, Many Users.

Wherever occurring in the natural state, fish, wildlife, and waters are reserved to the people for common use. – Alaska Constitution, Article VIII, Section 3.

Alaska's fish and wildlife resources are prized by Alaskans, treasured by the nation and renowned throughout the world. Alaskans and others use these resources in a wide variety of ways.

Through fishing and hunting both urban and rural Alaskans use fish and game for personal consumption and recreation and to carry on individual, family and community traditions. The commercial fishing industry is of great economic importance and provides employment to large numbers of rural and urban Alaskans and others from outside the state. Thousands of people from other states and countries around the world come to Alaska to hunt and fish for sport and recreation, and many Alaskans are employed guiding, outfitting and transporting these visitors. Other visitors enjoy simply viewing and photographing Alaska's wildlife and their natural surroundings.

Sound management of Alaska's fish and game resources is essential to preserve the quality of life all Alaskans revere and enjoy and to sustain our commercial fishing, guiding and tourism industries.

Historically, lack of management or poor management has had disastrous impacts on our fish and game resources. Commercial whaling in the 19th century drove the whales in Alaska waters to near extinction, and devastated the Native people that depended on these marine mammals for survival. In the 20th century commercial fish traps wiped out abundant salmon runs in many Alaska rivers. Gaining control of fish and wildlife management was a major reason Alaskans sought and won Statehood.

Until recent years the availability of fish and game resources to satisfy the hunting and fishing needs of all was taken for granted. Now many changes including improvements in air and surface transportation, better equipment for hunting and fishing, increased population in both rural and urban Alaska, greater affluence and increased leisure time and the growing popularity of Alaska as a tourist destination have combined to put great pressure on these resources. Every fishing season seems to bring reports of salmon run failures in one area or another. Rural and urban hunters report moose and caribou declines and demand predator control. Local conflicts erupt as expanding hunting and fishing ranges overlap. No longer is any part of Alaska truly remote.

2. Subsistence

Protecting subsistence is the top priority of rural Alaskans. Harvesting and consuming fish, game and other natural foods and resources for subsistence is the cornerstone of life in rural Alaska. These resources have great nutritional, economic, cultural and spiritual importance to rural Alaskans. Rural Alaskans see political opposition to a rural subsistence preference as an attack on their traditions and culture. Unless the issue is promptly resolved by the State, a complete federal fish and game management takeover will widen the gulf between rural and urban Alaska, even though it may be welcomed by rural Alaskans as necessary to preserve their subsistence rights.

– Final Report to the Governor, Alaska Commission on Rural Governance and Empowerment, pp. 12-13 (June, 1999).

The native people of Alaska lived off the land by hunting, fishing and gathering for centuries prior to contact with the outside world. In the Russian colonial period some Alaska Natives were forced into the commercial fur trade, but the indigenous cultures remained largely intact. After the purchase of Alaska the United States periodically acknowledged the existence of aboriginal rights and claims but for over one hundred years failed to define or attempt to resolve them.

In 1971 the Alaska Native Claims Settlement Act (ANCSA) settled the land ownership claims of Alaska's native people and formally extinguished aboriginal hunting and fishing rights. In doing so, however, Congress directed the U.S. Secretary of the Interior to take any action necessary to protect the subsistence needs of the native people. Achieving this goal led to the passage of the Alaska National Interest Lands Conservation Act (ANILCA) in 1980. Title VIII of ANILCA, choosing race-neutral terminology, established a preference for subsistence uses of wild renewable resources by rural Alaska residents.

ANILCA's administrative scheme required the State to provide for the subsistence uses of rural Alaskans with a priority over other uses and a network of regional advisory councils. So long as the State adhered to the subsistence priority it would be permitted to manage fish and game on all federal lands in Alaska. However, if the State departed from the subsistence priority for rural residents then ANILCA provided that the federal government would take over regulation and management on all federal lands.

In 1978 the State enacted legislation establishing a general subsistence preference. A ballot measure seeking to repeal that statute was defeated by a wide margin in 1982. In 1986, to comply with ANILCA, the State's subsistence statute was amended to limit the preference to rural residents. However, in 1989 the Alaska Supreme Court ruled in *McDowell v. State* that this statute violated the Alaska Constitution.

Since then the subsistence debate has raged in the political, legislative and judicial arenas with great intensity and has become a major component of Alaska's rural-urban conflict. Federal agencies took over management of fish and game on federal lands in Alaska starting in 1990 with game, and in 1999 with fish. Federal courts have ruled that the State is not in compliance with ANILCA. Efforts to place a rural subsistence preference amendment to the Alaska Constitution on the ballot have been repeatedly stymied in the Legislature even though public opinion surveys consistently show that Alaskans favor such an amendment. In the *Katie John* case, federal regulatory power was extended to

most navigable waters as well as federal lands in Alaska. Federal takeover deadlines were repeatedly set, and then extended, but eventually the deadline passed without State compliance with ANILCA.

On October 1, 1999, the Federal Subsistence Board – formed by the U.S. Fish and Wildlife Service, the National Park Service, the Bureau of Land Management, the Bureau of Indian Affairs and the U.S. Department of Agriculture Forest Service – initiated expanded management of subsistence fisheries on 60% of Alaska’s lakes and rivers. In addition, the Federal Subsistence Board manages game on 200 million acres of federal land in Alaska, nearly one-half of Alaska’s land mass.

Subsistence and sport users combined consume only about 3% of the fish harvested annually in Alaska, but a majority of the wildlife. Regardless of the use patterns, recent surveys have shown that most Alaskans support a rural subsistence priority. However, failure of the state to bring itself into compliance with federal law will lead to vastly more difficult conflicts in the future.

3. Dual Management and Beyond.

With the federal takeover, a system of dual management of fish and wildlife resources has emerged which will add both complexity and confusion for managers and the public. State and federal systems have different goals. The State system seeks to balance a wide variety of user interests, including commercial, sport, personal use, subsistence, and conservation in making allocations, while the Federal Subsistence Board’s primary objectives are protection of subsistence and conservation. Each will conduct research and have its own organizational structure, programs and regulation-making process. Each will develop relationships with user groups focusing on their differing objectives. Federal managers, for example, have made a commitment to work with tribal organizations, Alaska Native organizations and regional advisory councils, groups not now directly involved in the State’s management system.

Many in rural Alaska welcome the federal takeover because of the federal commitment to protect subsistence. In many areas federal managers have encouraged greater participation by local user groups and organizations in management decisions and have directed more financial resources to this effort than the State ever did. Experience with federal management, including co-management arrangements involving non-governmental organizations dealing with specialized areas and species such as whaling, walrus and migratory birds, has proven successful in rural Alaska. Rural Alaskans, particularly Alaska Natives, may not want to return to State management without a clear commitment by the State to continue many features of the federal management system.

Most of Alaska is public land, but private landowners are increasingly limiting access of hunters and fishermen to their land. Several native corporations, who hold hundreds of thousands of acres of rural land, have begun fee-based permitting systems or have closed their land to non-shareholders. If private land is not available for hunting and fishing, user pressure on public land will increase.

B. Educational issues

Education is a natural concern of parents and society throughout the world. In Alaska, the topic of education contributes to the urban/rural divide through a host of problems and symptoms, but more importantly, offers some clear opportunities for bridging the divide, offering hope for the future, and stimulating the economy.

Unfortunately, the mainstream educational system frequently does not meet the needs of village or urban employment, nor prepare students for transition to college. Inconsistent community and parental involvement frequently cannot fill the gaps. Also, in rural areas, transient teachers do not have a stake in local communities. In general, not enough teachers come from, or stay, in rural Alaska. Even finding enough regular and special education teachers is a difficult task, not made any easier because of lack of housing in rural areas.

The lack of mandated teaching of Alaska history has added to the divide because most students have little understanding of how modern Alaska developed, or the legal and cultural underpinnings of Alaska society.

While more money is spent per capita in rural areas than in urban areas, the high cost of providing education in rural areas creates a perception of unequal funding for rural schools compared to urban districts. Two years ago, SB 36 was a lightning rod of concern for rural areas in that it raised the specter of equal dollar state allocation per student despite much higher costs in rural areas. It was one of the aggravating factors for the current divide.

State retention of federal dollars may be an issue. Formulas may be negative to rural Alaska. Furthermore, a general lack of local bonding capacity in most rural areas offers no local funding alternative other than state or federal dollars. State requirements for school district report cards are perceived as a waste of time in both urban and rural districts.

Requirements for facility maintenance and operations are almost impossible to achieve in rural areas because costs of utilities, transportation and building supplies are so high. An upcoming wave of maintenance needs will soon be apparent as the large number of schools built in the aftermath of the Molly Hootch decision reach a point where they will need major maintenance. Despite these obvious and predictable needs, there are no local or state programs for regular maintenance. Some inappropriate building models aggravate the situation.

Despite these problems, some innovative Bush education delivery models exist and provide high graduation rates, with a high percentage of students taking post-secondary education. Some model Bush school districts actually have better high school graduation rates and post-secondary attendance than the Anchorage School District.

C. Health services issues:

Access to health care, both physical access and financial access, is the name of the game. It is the central issue in providing health care in both Bush and urban areas. Since Alaska has no county or state hospital system, a patchwork quilt of delivery and funding systems has evolved, with attendant high administrative costs. With increased preferred provider organizations (PPOs) and systematization in urban health care, urban health care is becoming more like Native health systems.

Alaska is served with a combination of Indian health sources, Medicare, Medicaid, private insurance and private cash. There is no formal health safety net, nor formal non-Native health care in rural areas. Perhaps fifty non-Native small communities have no health care at all. However, the federal government assumes responsibility for Native health care. Native villages of over 25 people have some kind of health care, with the quality and variety of health services increasing as the size of the community increases. All is not bleak in that innovative systems and modern facilities have improved the level of care in recent years.

Nevertheless, unique problems exist in rural areas that need to be addressed. Dental care is a major problem, much worse than in urban areas. Sanitation is substandard. Perhaps one-third of people in rural areas, or 20,000 to 25,000 people, do not have toilets, which creates a higher incidence of illness. Extremely high construction and operating costs for sewer and water systems has been a major impediment. Also, substance abuse care and behavioral health care is spotty in rural areas, as the federal government has pushed that obligation onto the state. Similarly, urban areas have existing or potential well and septic problems which will become worse as their populations grow.

D. Public safety issues

A host of public safety issues contribute to the divide. Many of these issues pertain to both rural and urban areas, while some are more specific.

General concerns are an overcrowded correctional system, with many inmates out of state, away from their family support systems that could assist them in resuming normal lives. Longer mandatory sentences create ever-upward costs, as both more and older prisoners need care. Treatment and prevention measures that can actually prevent crime and save money are widely perceived as being “soft on crime.” A specific example is treatment and prevention of Fetal Alcohol Syndrome (FAS), and Fetal Alcohol Effect (FAE) which have been shown to be the cause of much criminal behavior.

A tension between centralization and decentralization is evidenced by problematic reimbursement of state costs for administering local offenses. In rural areas, just as with health care, access to the justice and court system is a problem. Physical distances, high costs, and cultural differences make “equal justice for all” difficult in rural areas. Funding cuts have reduced the successful VPSO (Village Public Safety Officer) program.

E. Governance and sovereignty

Overall, it appears that governance and sovereignty issues are more of a Bush concern than in urban areas. This is because municipalities have an established relationship with the state and have their own tax base. Rural Alaskans view the state government like Anchorage views the federal government – cold, distant, hidden, and controlling.

At first blush this area seems fraught for conflict. However, after seeing several real-world success stories of cooperation between municipal governments and tribes, the potential for broader application of these successes seems quite promising.

In both urban and rural Alaska, municipal government has been under severe strain since oil money has started to run low. Inconsistent and conflicting funding sources have driven decisions as opposed to logic and real needs. There is concern over the sustainability of funding for municipalities now, and potentially for tribes in the future if federal funding sources lessen.

Tribal governments are a reality in Bush Alaska. However, there is a general lack of understanding of the legal status of tribes among the non-Native populace. Currently 226 communities have federally recognized tribal governments. While tribal governance is a political situation, it need not be a racial situation, as some communities have demonstrated.

F. Economic survival and development

There is a huge disparity in cash income between the urban and rural areas of the state. This is masked to some extent by the very substantial unmeasured economic contributions of the subsistence lifestyle. The fact remains that the traditional mix of cash and subsistence economies in rural Alaska is shifting to an ever-increasing reliance on cash.

It has become increasingly apparent that the Alaska economy has slipped substantially in recent years when compared to other states. Key statistics such as average annual per capita income have fallen from near the top, to the middle of the pack. To some extent this has been hidden by a relative decline in the traditionally higher cost of living in Alaska. However, the rural areas of the state continue to experience extraordinarily high living costs, and the relative drop in income has hit rural areas hard.

The unemployment rate in rural Alaska is extraordinarily high – in the 50% range in some communities. Even factoring in the (again unmeasured) role played by subsistence activities, rural unemployment levels would be politically unsupportable in urban areas. These high unemployment rates do not include “discouraged” workers who have given up trying to find a job and therefore do not get counted as unemployed. Too many areas of the state depend heavily on transfer payments, enhancing the already pervasive Alaska entitlement mentality (which affects rural and urban equally).

Partly as a result of transfer payment dependency, many villages have a sense that key economic decisions are imposed on them from Juneau. A somewhat analogous situation exists in cities that have seen big cuts in revenue sharing. To mitigate these hard feelings, as well as to get the most value for money spent, funding decisions must include the people affected, whether urban or rural. Additionally, in rural areas economic development must incorporate key elements of Native culture to be truly effective in the long run.

These factors combine to help foster a level of social dysfunction that is intolerable for a civilized society. All Alaskans deserve certain choices and opportunities, and above all, hope for the future. As of now, this does not exist for many of our people.

The economies of rural and urban Alaska are highly interdependent

It is hard to overemphasize the interdependence of rural and urban economies. In August of this year, a study was presented to the Greater Fairbanks Chamber of Commerce by Information Insights, Inc. The following examples highlight the importance of rural and Native contributions to the Fairbanks economy: **1.** The payroll of Alaska Native organizations in Fairbanks equals the payroll of the University of Alaska Fairbanks. **2.** Purchasing by Alaska Native organizations in Fairbanks equals 90% of UAF plus the Fort Knox mine. **3.** Alaska Native corporations and subsidiaries in Fairbanks represent 12% of area jobs, 12% of area payroll (including military), 4,130 direct and indirect jobs, \$57 million in local purchasing and \$206 million total economic impact.

II. What will happen if we do nothing?

A. Access to fish and game

Alaska has already lost the power to manage fish and wildlife on federal lands and most navigable waterways in the state by failing to adopt a Constitutional Amendment to recognize a subsistence priority for rural Alaskans. The dual management system put in place October 1, 1999 will continue to operate and, despite the best intentions of managers and policy-makers on both sides to cooperate with each other, the differing objectives and constituencies of each system will lead to increasing incongruities between them.

Conflicts between the two systems will inevitably arise, particularly in areas where federal lands and waters and both subsistence and non-subsistence users are in close proximity, such as the Copper River region, the Kenai Peninsula and Southeast Alaska.

Public pressure on the resources will increase as the population continues to grow in both rural and urban Alaska, more visitors come to hunt and fish, technology enables more users to penetrate the most remote areas, and private land becomes unavailable. Conservation and planning will become increasingly important, but may become increasingly difficult for the dual management systems to carry out.

Competition and conflict between users and between users and managers will increase in the future. As a result of the dual management system the rules and regulations governing our fish and wildlife resources will become more complicated and confusing. Litigation and judicial rule making will continue to play a significant role in management and allocation of these resources. Conservation and comprehensive management and planning will likely suffer.

B. Education

With no action, a host of educational problems will remain unresolved or begin to surface. Buildings will continue to deteriorate, causing some schools to close. Without adequate maintenance, the repair and replacement bill will become so huge as to be unpayable.

More lawsuits over programs and funding will further consume diminishing resources. There will be a descending spiral of suspicion and mistrust between rural and urban areas. Lower test scores may negatively affect federal funding. Additionally, some districts will be out of compliance with the mandate to spend a certain percentage on facilities versus instruction.

Parents will send kids away from home in an attempt to secure a more broadened education. If educational delivery is not based on outcomes that have tangible benefit to students, the number of students not graduating will increase. Money will be spent without a corresponding tie to outcomes. Students will not have the skills to obtain technical jobs, nor will they have the “life skills” necessary to support themselves as adults.

Parents will increasingly use alternative educational delivery systems, such as home schooling, private schools, correspondence courses, and even some Internet classes. Some aspects of these systems are positive, but the opportunity to make friends and develop social skills will be lost.

Alaska society and overall quality of life will decline as the number of poorly educated people increase. Funding penalties for not meeting standards will aggravate the situation. Finally, Alaska will lose economic opportunities, as an increasingly knowledge based global economy passes us by.

C. Health services

The costs of doing nothing are high. Working poor will go without adequate care. Families will deteriorate and people will have poorer health. Health care administration costs will remain high, as will the costs of health service itself. The ripple effect of other social and judicial costs will continue unmitigated.

As health care in rural areas deteriorates, the need for adequate care will drive migration to urban areas. Children's poor health will affect their educational development. In such an environment, it will become increasingly harder to attract health care professionals. Economic development will be constrained by the impacts of an unhealthy work force.

D. Public safety

Overcrowding of prisons and jails will continue. Law enforcement will be able to follow up only on more and more serious crimes. Avoiding preventive measures will result in higher dollar costs to the state, as well as higher societal costs and worse public safety.

More people in prison out of the state means they do not have any local support systems to help them improve and become productive members of society. More and more lawsuits will develop about the correctional system as conditions deteriorate. We will see earlier releases of worse prisoners as the court system tries to follow court-mandated guidelines on overcrowding. While both urban and rural areas will be affected, smaller communities will be affected disproportionately, since they have no established public safety infrastructure to fall back upon.

E. Governance and sovereignty

Local people will continue to find their own solutions. Those that do not will find themselves in a nebulous situation only partly governed by the state and applicable state agencies. Unfortunately, good ideas and governmental models will not spread as rapidly as they could with support, encouragement and idea sharing mechanisms. Many citizens will continue to not understand tribes, and worry about the potential costs of maintaining tribal governments. Polarization will increase between urban and rural Alaska.

F. Economic survival and development

Areas of conflict between urban and rural Alaska will grow as squabbles intensify over diminishing resources.

A consensus has emerged amongst economists familiar with the Alaska economy that our downhill slide in both urban and rural income will continue unchecked if effective action is not taken. This inevitably will lead to a lowered standard of living. Migration out of smaller communities will continue and even accelerate. We will lose our “best and brightest” to other locales offering more opportunity. There will be increasing pressure for the Federal government to assert control over Alaska issues.

The high costs – financial as well as social – of communities which do not offer healthy economic futures for their citizens will become increasingly apparent. Hope for the future will be lost.

III. What would a positive resolution look like and mean to Alaska?

A. Access to fish and game

Although influenced by modern technology and economic change, the centuries-old subsistence culture of Alaska's Native people continues to flourish in rural Alaska today.

Thousands of rural Alaskans are actively engaged in subsistence and their right to do so is protected by federal law.

All Alaskans should recognize the continuing vitality and importance of subsistence and celebrate the ability of this state and its people to accommodate both a modern Western society and traditional indigenous cultures.

The outcome of such a positive resolution for Alaska might resemble an image described by Alaskan naturalist Margaret Murie:

My prayer is that Alaska will not lose the heart-nourishing friendliness of her youth – that her people will always care for one another; her towns remain friendly and not completely ruled by the dollar – and that her great wild places will remain great and wild and free, where wolf and caribou, wolverine and grizzly bear, and all the Arctic blossoms may live on in the delicate balance which supported them long before impetuous man appeared in the North.
—“The Need for Wilderness,” published in
Minus 31 and the Wind Blowing, p. 90 (A.P.U. Press, 1980).

Although Ms. Murie was writing about the importance of wilderness, her words apply equally well to a future time in Alaska when the subsistence needs of rural Alaskans have been protected; Alaska has regained control over the fish and wildlife within her borders; and all Alaskans, rural and urban, have seen beyond their differences and learned to respect and appreciate each other.

B. Education

School districts could select or devise models that fit the needs of the students in their areas. The state would fund education at a consistent and adequate level to provide optimum facility support and instruction delivery. Partnerships between business, community organizations and schools would develop new ways of delivering education. Dollars will be spent effectively.

Graduation rates and work readiness would increase, resulting in economic competitiveness to attract more high-paying industry. We will have a higher

SUCCESS STORIES

These stories are offered as examples of how specific activities have successfully addressed concerns raised in this report. This is a very limited list—the reader is encouraged to consider and submit his or her own examples.

Access to Fish and Game

Alaska Eskimo Whaling Commission (AEWC)

was born in 1977 when the International Whaling Commission banned bowhead whaling, which threatened the extinction of the Inupiat whaling culture. The AEWC filed a lawsuit challenging the ban. Within a year, the IWC reversed itself and established a whaling quota for Inupiat whaling, and entered into a Cooperative Agreement with the National Oceanic and Atmospheric Administration (“NOAA”) for enforcement of whaling quotas and assist inspection and reporting on the whale harvest. This is probably the first time since before the American Revolution that Native Americans had been direct participants in the international negotiations affecting their rights.

SUCCESS STORIES

Education

The Chugach School District has established a community based “Crib to Crypt” approach to education that recognizes support needed for an individual’s entire life cycle. It surveyed businesses on skills students need then established an “outcome based” curricula. The district sets clear expectations of students, teachers and parents with measurable goals.

White Mountain High School sent a high school team to the National Ocean Sciences Bowl held the past three years in Seward, one of the few small schools competing with large high schools from Anchorage, Juneau, and the Kenai Peninsula. This year, a team of young women placed first in their research on salmon management and second overall behind a Juneau High School team.

paid better-educated work force. Well-educated workers can help ensure a continued strong military presence.

Alaskans will be better prepared for a changing world, more well rounded and self-sufficient. More job opportunities will be available for all residents once they are qualified. Self-sufficiency will reduce the need for state or federal subsidies, and gives people mobility – they can choose where they want to work.

Learning Alaska history will give us a better understanding of each other and build a better sense of community. Education will allow diversity to thrive in a modern world and avoid creating an underclass that is shut out of economic, social and political opportunities.

C. Health services

Alaska’s population will be healthier. Healthier people will improve economic development and attract businesses. Less administrative dollars spent will give us better value. People will have a more positive outlook as a rural and urban health safety net will cover the essentials of people’s physical and psychiatric needs.

D. Public safety

Intervention will occur before people harm themselves and society. With adequate safety officers spread around the state, people will be responded to quicker. The public will understand that intervention and prevention saves money. Long-term savings will result from healthier people with reduced FAS/FAE. Suicide rates will be reduced.

With a reduced prison population prisoners will be closer to the support structure of their family and community. Larger cities will run and control their own jails. In rural areas, where appropriate, tribal councils might have a direct role in certain local correctional and court services. Citizens will understand the provisions of and the protections provided all citizens by the U.S. and State constitutions.

Local communities will be able to make and enforce alcohol ban decisions. The state can partner and share with local tribes for public safety services. Elder counseling can provide for better diversion of children and keep them out of trouble.

E. Governance and sovereignty

A mosaic of relationships will evolve that work for local people. Jobs will be created and economies developed. Local resources will be used better in a more integrated fashion. More development will occur that is wanted by local people and that can be financially sustainable in the long run.

Combined municipal and tribal governance could treat all citizens fairly and equally. There will be maximum local self-government with a more constructive working and financial relationship with the state. Effective, cooperative rural governance need not be at the expense of urban communities. In fact, better use of resources should benefit everyone.

The result could be a more harmonious relationship between citizens that will foster a sustainable economic base, which can help maintain a rural lifestyle. Sound local working relationships will result in a better use of people and money. There will be more knowledge of sound local rural governance among urban people. We will have an environment where diversity and local choice can thrive, stimulating leadership in each community.

F. Economic survival and development

A positive resolution must address two broad issues – arresting the state’s slide in overall economic performance, and extending this healthy economy to every region. Ideally, Alaska will regain its position as a leader in economic opportunity for its citizens.

A positive resolution will have strong components of communication and cooperation. The urban-rural divide is not a single issue – it is a mix of issues that have taken time to develop. In addition, the divide manifests itself in different ways, at different times and in different contexts. So, a positive resolution to the divide cannot be imagined as a solution to a single issue. Instead, a positive resolution will have to evolve with the issues and take on different forms as conditions warrant. A positive resolution can include the continuation of Native cultural traditions.

It would be a positive development for Federal and state development dollars to be simple to apply for, coordinated (therefore more effective) and directed to meeting needs and desires locally identified and supported. Some communities desire no more than basic infrastructure such as sewer and water, and otherwise to be left alone. Others want to mine coal, harvest trees, or encourage tourism. Ideally, unwarranted federal oversight will accommodate local realities; self-determination with common sense environmental control should supercede political mandate.

Twenty-five years ago Alaska was a vibrant, optimistic land for many, if not all. Pipeline construction had begun. People came from all over to build their future, and that of Alaska.

SUCCESS STORIES

Health Services

Telemedicine Council is coordinating private and federal telemedicine projects to avoid duplication and increase efficiency. It is rapidly expanding rural access to medical professionals and expanding the ability of health aides to deliver more effective care.

Maniiliq, a tribal organization, has delivered health care and social services for over 30 years in the Northwest Arctic. It demonstrates these services can be contracted efficiently and effectively at the local level, which also provides more diverse work opportunities.

SUCCESS STORIES

Public Safety

The **Bethel Cultural Navigator** pilot program helps people unfamiliar with the court system to understand judicial processes and make more informed decisions. The Navigator is enhanced by the usage of both prominent languages Yupik and English.

Alcohol “local option” laws allow communities to regulate importation of alcohol or prohibit its importation entirely. Most communities implementing “local option” experience a dramatic reduction in alcohol related problems.

Rural communities were energized by transcending events such as the recent passage of ANCSA. Today the atmosphere is very different, and the deepening chasm between the urban and rural areas is only one symptom of a broader malaise.

A positive resolution will simply mean we can recapture that past sense of shared optimism and faith in the future. It means once again enjoying rising income levels for all areas of the state. Above all, it will mean reducing the high degree of mutual suspicion between the two major cultures which share Alaska.

IV. What needs to be done to achieve a positive outcome?

A. Access to fish and game

Find a way for Alaska to reconcile the subsistence-based culture of rural Alaska with the general interest of all in using the fish and wildlife resources of our State.

Share information about the meaning and importance of subsistence in contemporary society through the schools, by cultural exchanges, and within and between our communities.

Resolve state/federal management differences by passage of a constitutional amendment to provide for a rural preference, development of co-management systems, and cross-cultural exchange of information about the meaning and importance of subsistence and recreational hunting and fishing.

Develop co-management systems involving federal and state managers, tribes, non-governmental organizations, interested users and the general public.

Reduce competition and conflict between users and place management emphasis on conserving and enhancing our fish and wildlife resources, and preserving the balance of nature while respecting the need for sustainable harvest levels.

B. Education

Bringing legislators to villages will help them understand the situation. Emphasize useful vocational and technical training, not just college preparation. Teach Alaska history, starting with prehistory, and include the roles and perspectives of the diverse cultures that make up our current society. Unions can work closer with vocational-technical schools. Better coordination of trade schools such as the Alaska Vocational Technical Center in Seward, the Heavy Equipment Operators, private trade schools, and the U of A will prevent overlapping services and duplication. More partnerships between schools and businesses will also help. Junior Achievement activities could be expanded to rural Alaska.

Reform and change can be brought about by students, teachers and parents sharing a vision and objectives. Comprehensive plans that include evaluations and incentives have been shown to work. The Chugach School District and the "Success by Six" programs are examples. However, these types of programs need the involvement of educators, family and community. It is a "crib to crypt" involvement. Also, opportunities exist

SUCCESS STORIES

Governance and Sovereignty

Northwest Arctic Borough planning and zoning code encouraged the establishment of local planning committees in borough villages. The Borough also developed new relationships with the U.S. Army Corps of Engineers and federal agencies to provide sewer and water systems and other village infrastructure.

Quinhagak combined the resources of the tribe and city government to reduce duplicative administrative costs and combined resources to develop infrastructure to benefit the community.

Economic survival and development

Development of human capital

The **Alaska Native Heritage Center** is a focus of pride and ongoing understanding of culture, as well as a significant tourism attraction.

Charter College fills a technical and practical niche in the overall educational needs of the state by serving 1,100 students a year with a mixture of liberal arts and information technology.

Economic leadership of Alaska is now starting to **include and respect Native participation**.

SUCCESS STORIES

Creative public agencies

The **Denali Commission and the U.S. Department of Agriculture** are leading a move towards a broader vision of cooperation between federal, state, local and government groups.

The **\$180 million Power Cost Equalization trust fund** from the sale of the four dam pool is a major step towards restructuring energy costs in the Bush.

Ted Stevens Anchorage International Airport has greatly improved its infrastructure in support of the growth of air cargo. The airport has become a significant logistical center, a major employer and economic engine in the economy, and one of the largest air cargo airports in the country.

Alaska Housing Finance Corporation Increased rural loans can be attributed to a national-award winning program that provides less restrictive financing and lower interest rates, homeownership education, one-step construction lending, and a partnership with lenders, and innovative partnerships with the eleven regional housing authorities statewide.

to make military service attractive to youth by creating a Bush veteran network to provide support for young military candidates.

There is a need to educate and involve parents on the benefits and challenges of college. PTAs and school advisory boards should emphasize parental involvement, not just fund raising activities. We need to focus on outcomes and results, not just dollars or programs. The more we can share best practices, the better. Teachers and administrators need flexibility to be able to implement more creative alternatives.

A modern high-speed telecommunication infrastructure can bridge the digital divide, and offer multiple benefits for education, health, safety and administration. The University of Alaska needs to produce more rural and special Ed teachers. Perhaps offering stipends or scholarships for potential rural teachers will encourage more to serve in rural areas

Multipurpose school buildings can secure multiple sources of operations and maintenance funding by combining education, health, public safety, teacher housing, sanitation, water, washateria, and meeting rooms. More thorough use of total life cycle cost accounting in construction design and funding decisions will avoid building too many buildings that we cannot maintain. For any given amount of capital dollars, we should build less, and build better to last longer with less maintenance.

C. Health services

We need a commitment to improve health care in Alaska through a combination of better legislative process, more federal dollars, better use of state dollars, and creative partnering on economic development projects. The governor, legislature and business leaders need to lead citizens through exposure and education about the savings and benefits of sound health programs. A commitment to Healthy People 2010 standards will create a statewide obligation to bring all Alaskans to nationally defined minimum levels of health care.

Multiple use of facilities with sewer, water and telecommunication will provide economies of scale and multiple funding sources. This will help reduce the large capital expenditures necessary to provide basic sewer and water systems throughout Alaska. To have water piped everywhere would cost about one billion dollars. A more minimal level of coverage would cost about \$600 million. In addition, a small village water system costs about \$100,000 per year to operate. Furthermore, increasing population is creating the need for more sewer and water facilities in urban areas. Creating a combined system of ongoing sustainable funding combining local, state, federal and private monies will meet these large needs.

Access and travel challenges remain, as does the need to get health care professionals and medical information out to rural areas and patients and medical information in from rural areas. Fortunately, cost saving opportunities abound. Billing consortiums comprised of groupings of villages have proven efficient to achieve economies of scale, while avoiding the bureaucratic problems of BRUs (Budget Request Units). Maniiliq is an example. Head Start demonstrates the savings of good vs. bad health care. Telemedicine is on the verge of making a major impact. A residency system in Alaska hospitals, with rural internships, would provide needed services while economically training doctors who will have greater knowledge of statewide medical needs. Wherever possible, decisions should be as local as possible, with participation and consultation of the local communities involved.

D. Public safety

With some type of police in each village – VPSO or tribal – adequate treatment and intervention can be available throughout Alaska. Locally decentralized intervention, prevention, parole and probation can both save money and provide better service.

Creative and cost effective use of technology is an opportunity. Affordable Internet access will lead to cost savings and service enhancements. A current example is electronic monitoring of probation and parole anywhere there is an Internet connection that lets people remain closer to their family and homes. Public education can show citizens that prevention saves money and is the cheapest long-term solution. One example is FAS/FAE programs that reduce parental drinking. Adequately funded alcohol treatment and prevention programs save money in the long run.

Other needs are shared facilities and resources between local organizations, flexibility in administration of program services in small villages, fine tuning state and tribal alcohol control, and adequate funding of public defenders.

E. Governance and sovereignty

Existing and future success stories and models need to be shared as broadly as possible to make choices easier for others in the future. There is a need to publicize success stories both in rural areas for practical application, and in urban areas for better understanding of what is happening statewide. Maintaining and focusing the state Division of Governmental Coordination to cultivate and share successes is critical.

Cooperative agreements between cities, the state, boroughs, the federal government and tribes have been shown to work. This can include cross-

SUCCESS STORIES

Entrepreneurial private businesses

The **Red Dog** mine demonstrates the benefits of combining regional Native initiative, Outside natural resource skills, and state facilitated financing.

Allen Marine in Sitka identified an unserved market and created a boat building industry from scratch.

GCI introduced a new level of competition and an entrepreneurial approach to telecommunications that have benefited all Alaskans.

Successful Native organizations

Regional Native corporations have become the dominant locally controlled business organizations in Alaska, many of which have diversified with an eye on the bottom line while maintaining shareholder sensitivity.

The combination of several village corporations into **sub-regional management corporations** set an example of regional cooperation and economies of scale, such as the Kuskokwim Corporation, MTNT and Gana A' Yoo.

deputization of troopers and VPSOs (Village Public Safety Officers) to enforce municipal, state, federal and tribal laws.

Teaching Alaska history in schools, including Native corporate and tribal history and ANCSA and ANILCA is a theme that has surfaced repeatedly. Understanding ourselves and how we got to where we are is critical to looking at each other with understanding and appreciation. This can be reinforced by encouraging existing groups that have strong constituencies to work together, including Native, business, civic, cultural and community organizations.

F. Economic survival and development

There are no easy answers to this question, but common themes emerge. If the issue of economic survival and development is a complex one for the entire state, it is even more intractable for village Alaska, particularly for those communities that do not have a sound current economic basis for their existence. There are however, some factors that can be the foundation for community viability.

A key piece is a quality education for all residents. A quality education creates economic opportunities in both urban and rural Alaska and is increasingly important in a knowledge based world. Studies conclusively show the economic benefit of expenditures for education. Education should be related to the needs of the community. This can be accomplished in a number of ways: suggestions include more focused vocational training in high schools to provide young people with skills appropriate to the jobs available in their community, and improving the university system - especially in cooperation with the business sector. Community colleges can provide this link in rural Alaska; the colleges in Barrow and Galena have been cited as examples of educational institutions that seek to meet community needs.

Economic activity depends on basic infrastructure, historically either provided directly by government or heavily supported. Transportation access and affordable energy are essential needs. Enhanced telecommunications and high-speed Internet access are an emerging part of the foundation for economic survival in rural Alaska. These technologies overcome the distance barrier and reduce the cost of providing many services in small communities. They enable rural school districts to provide more specialized courses and training, enable more effective rural health care and can open global markets for locally produced goods.

A viable community must have an adequate number of jobs and income sources to survive. However, many communities do not have a strong economic base to generate these jobs. The Internet offers one possible way to generate jobs by exporting locally produced goods and services. However, it is likely the number of people that work outside the community must increase for some communities to survive. By exporting their labor community residents generate additional jobs and income.

Businesses located in urban Alaska can assist rural Alaska by developing work patterns that are compatible with subsistence, and developing workforce training programs that stress partnering and cooperation, with the participation of rural residents.

Subsistence is a fundamental piece of the economy of rural Alaska. The time spent in subsistence activities is productive and generates goods that would require a substantial amount of a household's cash income if similar goods were purchased. The value of subsistence is not captured in current statistics. Household income in rural Alaska is lower than in urban Alaska, but the value of subsis-

tence goods or the value of the goods purchased if subsistence activities were not undertaken are not counted in household income. In a similar manner, subsistence activities are not counted as employment in current statistics. This creates a false impression of idleness in rural Alaska when, in actuality, subsistence is very labor intensive. A broader definition of employment that includes subsistence might be useful to present a more accurate picture of economic activity in rural Alaska. If the definition cannot be changed, then efforts should be made to foster a greater awareness of the positive value of subsistence.

One critical piece of the foundation for economic survival in Alaska is leadership. This extends from the governor and the state legislature to community leaders, such as locally elected officials and business people. At the state level, we must acknowledge the challenge of being an owner state, and use state resources in a manner that best meets the needs of the entire state. Too often, state officials are seen as being anti-rural, biased towards programs and expenditures that benefit urban Alaska. In a number of ways local leadership appears to be a key issue in villages that have succeeded. A study should be conducted to document what was done to achieve these successes, as well as what produced the quality leadership that is apparent.

A positive resolution may include exchange programs that involve people of all ages. Anchorage has sister cities in other countries - perhaps communities in Anchorage and other urban centers should have sister communities in rural parts of the state. Residents of sister communities could host each other for different events and begin to know each other, fostering cooperation and communication between urban and rural residents. Building on a comment made at the meeting with various mayors, the leaders of the sister cities could meet on a regular basis to discuss mutual and opposing goals and objectives. At a minimum, this sort of interaction would send a signal that people really do want the divide to dissolve.

Now that we have a better idea of the issues, concerns and conflicts, it is clear there are no simple answers. Alaska will travel many creative roads, which will need to be repaved time and again. Resolution can be achieved by connecting urban and rural Alaska emotionally, fostered by an understanding of how much urban and rural areas are mutually dependant. Much time has been spent on what rural Alaska needs to do, but not enough on how we all will suffer economically should the impasse of the divide continue. Just as urban Alaska needs to understand the benefits of a vital and healthy rural economy, rural areas needs to understand how thriving urban areas round out the economic and social structure of our state. Resolution is a two-way street. We have much to learn from each other.

V. Conclusions

While there is no immediate or simple solution to this problem, there are many things that have been done that work and show that progress can be made. If nothing is done, the federal government or the courts will make decisions for us. This study is just a start and supports diversity not just for itself, but also for the benefits it provides everyone. Just as the invisible hand of capitalism benefits the total through the pursuit of individual economic ends, diversity benefits the whole by fostering an environment where each person is free to pursue his or her own lifestyle. The vision of Commonwealth North is to: “Lead Alaskans to adopt economic, social, educational, political and cultural policies that provide the fulfilling, prosperous lifestyle of their choice.” This report is an attempt to go in that direction.

Despite the best plans we may make, Alaska has repeatedly been affected by major external events, or, “Wild Cards.” Past examples are the fur trade, the Gold Rush, World War II, the discovery and development of oil, and the Exxon Valdez. Potential major events include a gas pipeline or gas-to-liquids, a dramatic shift in world energy prices, development of western Alaska coal, or a national missile defense system. Whatever the nature of these “Wild Cards,” we need to exert maximum control over our own destiny in those areas we can influence.

With a problem as large as the urban rural divide, we know that not everyone will be satisfied, and that not everything can be done at once. We need to make choices and prioritize. While there is a tendency for any limiting mechanism to be feared, despised or appreciated depending on benefits received, we must understand that resources need to be allocated. But allocations must be through fair, equitable methods that are open, understood and lead by people who relate results to the needs of people. We hope that Arliss Sturgulewski’s words will ring true: “Familiarity breeds empathy.”

VI. Action items for Commonwealth North

The objective of this report is to address the common interests and differences which exist between urban and rural Alaska and to explore ways in which Alaskans can build a vision to bridge those issues in an atmosphere of understanding and mutual respect.

Many suggestions are embedded in this report. Many other excellent ideas and success stories have come to our attention and are worthy of consideration, deliberation and action. We encourage people close to a good idea to embrace it and become part of the solution.

Commonwealth North itself will make a commitment to the following six action items. When deciding what action to take, we took into consideration the following three criteria:

1. It is doable within a year, or at least a good start is possible within a year.
2. It is specific and actionable, not something general like “develop better leadership statewide.”
3. It is something Commonwealth North can influence.

Commonwealth North hopes to cooperatively and collaboratively work with or through all appropriate parties to accomplish these action items.

Action Items:

1. **Explore a solution to the subsistence gridlock.** This could include, but not be limited to, passage of a constitutional amendment to provide for a rural preference, development of co-management systems, and cross-cultural exchange of information about the meaning and importance of subsistence and recreational hunting and fishing.
2. **Consider the inauguration of an annual “Commonwealth North Summit” that would share a wide range of best practices on public policy issues.** The focus would be on success stories and things that work in the real world. It could be organized around “Commonwealth concepts” and include urban/rural, public/private, Native and non-Native organizations, the Governor and Commissioners, the Alaska Congressional Delegation, Legislators, federal agency executives, Alaska Regional Development Organization representatives and other public and private sector leaders. The first year would emphasize issues raised in the U.R.US report.
3. **Seek mandated Alaska history at the high school level as a state graduation requirement for all Alaska students.** This does not necessarily imply a one-size-fits-all approach, but does require meaningful history education as determined by local authorities.
4. **Survey legislators and candidates as to their opinions on urban/rural issues.** Share results of the survey with Commonwealth North members and the public.
5. **Encourage and support the formation of sister schools** as a way to establish relationships and increased understanding between urban and rural students, their families and community.
6. **Explore developing a regularly scheduled statewide call-in radio show** that would promote continued dialogue and communication among all Alaskans. This show would initially focus on urban/rural issues, but would evolve into dealing with broader public policy issues.

VIII. Appendix

A. *The Board's Charge to the Committee (approved January 11, 2000)*

1. Question to be addressed:

How can Alaska effectively address the increasing tension between its urban and rural populations?

- This study topic proceeds from the view that there is an increasing tension between urban and rural Alaska. This urban and rural tension will result in lasting harm to Alaska's interests if it is not effectively and promptly addressed.
- A division between urban and rural interests is common in many states, based upon differences in population, economic base, wealth, and political power.
- In Alaska, these "ordinary" urban/rural differences are even more pronounced by racial, cultural, economic, financial and legal factors, and by the actions of different elements of society and government.
- Alaska cannot progress in the future if the rural, predominantly Native population is alienated from the urban, predominantly non-Native population.
- Commonwealth North addresses issues of importance to the state. There are few other political issues as important to the state, and to the promises of Statehood for the whole state, as this. A major part of the impact of this study is in simply recognizing the importance of the issue, and the necessity of finding mutual human respect and understanding.

2. Scope of study:

The intention of this study is twofold:

a) To state the obligations and interests of both the State of Alaska and its people on this issue, including:

- Recognition of common interests between urban and rural Alaska.
- Recognition of the differences between urban and rural Alaska, and the forces that divide Alaskans.
- A vision of Alaska's future in which the benefits of statehood are available to all in appropriate measure, in which the existence of natural and inherent differences between urban and rural interests are generally accepted, and in which the strong common interest of all Alaskans in mutually acceptable solutions is recognized.
- A vision to bridge the issues that divide urban and rural Alaska.

b) To identify issues that divide Alaskans.

- This process will occur for the participants in the study group, and the outcome is intended to serve as a template for other Alaskans who wish to engage in addressing these issues.
- As an example, the study group should consider transporting its members (and as many of the CWN Board and membership as it can accommodate) on one or more fact finding trips to rural Alaska, to foster understanding of the needs of rural residents, and to enhance an understanding of our commonality as human beings, and of our mutual interests as Alaskans.
- Without proposing detailed solutions, this study will also seek to enumerate some of the major issues of dispute between urban and rural Alaska, and to outline some of the implications of various proposals to address these issues, and to explore some alternatives.

3. Nature of report to be issued (Technical, Analytical, or Opinion)

This report will analyze the issues, identify a process for addressing issues, and find guiding principles for the benefit of the State. The study group's goal of fostering understanding and mutual respect will also be served by exposure of its members to the diversity of Alaska, and thus an important part of the value of the report will be to describe this process.

4. Conflict of interest standards

It is intended that persons with interests in the outcome of the study will be members of the study group and will participate in its deliberations. Study group leaders should request that study group members identify their interests relative to specific points they advocate.

5. Measure of success

This study group will be successful if it identifies the interests of the State in resolving urban/rural differences and promotes understanding of and respect for the differences and commonalties between rural and urban Alaska.

B. Study Group participants

Co-chairs: Janie Leask, Rick Mystrom

Executive Summary co-chairs: Mark Copeland, Susan Mason

Beverly Beeton, Bailey "Cal" Calvin, Joe Donahue, John Doyle, Janet McCabe, Shauna Nebeker, Stephen Sheaffer, Joette Storm, Jake Wells

Quality, delivery and control of local services co-chairs: Eleanor Andrews, David Case

Sarah Barton, Judith Bittner, Lt. Gen. Thomas Case, John Copeland, Jeff Jessee, Cheryl McKay

Economic survival and development co-chairs: Jonathan Kumin, Vicki Otte

Richard Barnes, Eric Britten, Patrick Burden, Milton Byrd, Lt. Gen. Thomas Case, Betty Emerick, Hart Hodges, Grant Hunter, Jewel Jones, Nancy King, Steve Lindbeck, Katelyn Markley, Jay Page, Robert Poe Jr., Susan Ruddy, Jeff Staser, John Walsh, Tim Wiepking

Access to fish and game co-chairs: Chris Cooke, Theresa Williams

Bob Congdon, Dawn Dinwoodie, Joe Donahue, John Doyle, Carol Heyman, David Kester

Members at large

Curt Achberger, Jason Evans, Mano Frey, Scott Goldsmith, Michael Mills, Dutch Overly, James Shill, Stephen Walsh

Hartig Fellow: Chris Buchholdt

Editor: Duane Heyman

C. Commonwealth North Board of Directors, Officers and Staff

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Eleanor Andrews, Vice President
Joe Griffith, Vice President
Jonathan Kumin, Vice President
Janie Leask, Secretary
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Duane Heyman

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Denali Daniels, Communications and Events Coordinator
Karen Williamson, Membership and Administrative Coordinator
Kari Zenor, Special Projects
Carla Chesbro, Bookkeeper

D. Organizations working on the urban/rural divide:

- 1) Alaska Christian Coalition
- 2) Alaska Common Ground
- 3) Alaska Federation of Natives
- 4) Alaska Humanities Forum
 - Alaska 20/20
 - Rural Urban Update (newsletter)
 - Urban/Rural Youth Program
- 5) Alaska Inter-Tribal Council
- 6) Alaska Municipal League
- 7) Alaska Native Heritage Center
- 8) Alaska Native Professional Association
- 9) Alaska State Chamber of Commerce Legislative Outreach Program
- 10) Alaska Women's Environmental Network can pair people up for rural visits
- 11) Alaskans Listening to Alaskans About Subsistence
(Cynthia Monroe, Friends)
- 12) Anchorage Chamber of Commerce Rural Partnership Committee
- 13) ANCSA CEOs
- 14) Bridge Builders
- 15) Bringing Alaskans Together (BAT)
- 16) Commonwealth North Urban Rural Unity Study
- 17) Cook Inlet Tribal Council school web site under development
- 18) Denali Commission
- 19) Fairbanks Chamber of Commerce
- 20) First United Methodist Church monthly meetings
- 21) Healing Racism in Anchorage
- 22) Native American Rights Fund
- 23) UAA Native Student Services
- 24) United Way
 - Schools Curriculum Committee
 - Connecting Youth
 - Rural Affairs Task Force

E. Resource people

Executive Summary

Perry Eaton

Arliss Sturgulewski

Quality, Delivery and Control of Local Services

Rich De Lorenzo, Superintendent, Chugach School District

Don Evans, President, Education Resources, Inc.

Dana Fabe, Justice, Alaska Supreme Court

Chuck Greene, former Northwest Arctic Borough Mayor

Margaret Pugh, Commissioner, Dept. of Corrections

Jim Sanders, Regional Office Supervisor, DCED, MRAD

Mike Sheldon, Petersburg Tribal Environmental Protection Agency

Paul Sherry, CEO, Alaska Native Tribal Health Consortium

Ted Smith, Mayor of Petersburg

Frank Stein, former Northwest Arctic Borough Planning Director

Alex Tatum, Educational Consultant

Economic Survival and Development

Neil Fried, Economist, Alaska Dept. of Labor

Mike Harper, President/CEO, Kuskokwim Corp.

Carl Propes, CEO, MTNT, Ltd.

Tom Harris, CEO, Alaska Village Initiatives

Access to Fish and Game

Tom Boyd, Asst. Regional Director, Subsistence Management, USFWS

Jeff Nelson, Lands Manager, Kuskokwim Corp.

Mary Pete, Director of the Subsistence Division, State of Alaska

Frank Rue, Commissioner, Department of Fish and Game

Rob Bosworth, Deputy Commissioner, Department of Fish and Game

Carl Rosier, Outdoor Council

Dick Bishop, Outdoor Council

F. Questionnaire summaries

Tabulation of responses to the U.R. US questionnaire

Number of surveys tallied: 60

Categories: Business Sector/Individuals – 15
 Native Group Affiliation – 13
 Education – 5
 Mayors/Government – 27

Highlights:

- 59/60 Agree there is a divide
- Top three issues: funding, subsistence, and cultural understanding
- Doing nothing: the divide will increasingly result in a fragmented Alaska discouraging economic growth. Lack of communication and mutual understanding will result in social and cultural clashes.
- All seek a positive resolution
- Positive resolutions: partnerships, inclusive processes, and cultural education

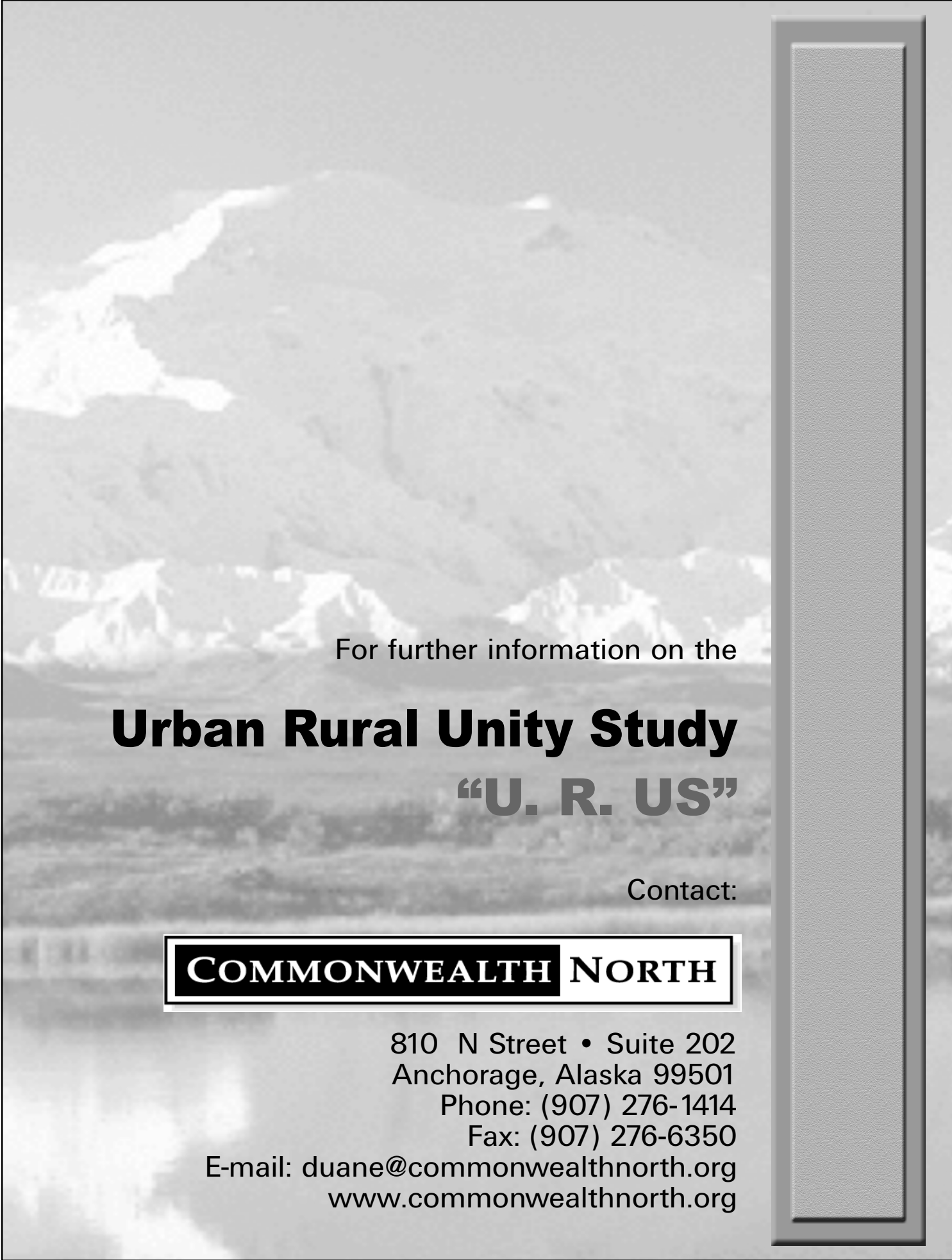
Comments:

While the survey does not indicate a unified solution or complete strategy for achieving partnership and inclusive processes, there is general agreement that the vitality of rural Alaska provides gain for urban areas.

Finally, understanding and appreciating cultural diversity is offered as key for reducing the divide and will help resolve the subsistence issue. To this end programs of cultural exchange and education are suggested solutions.

G. Alaska Time Line

Visit the Commonwealth North web site www.commonwealthnorth.org Urban Rural Unity Study section for a comprehensive time line of Alaska history.



For further information on the

Urban Rural Unity Study

“U. R. US”

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