

This was a study done of the some of the affects ANCSA has had for Alaska Natives and why educators have done so little about informing Alaska Native students about this important legislation profoundly affecting their lives. The study was done in the 1980's and overall educators are not responding any better than at the time of the report. Why?

I think the state of Alaska and especially the Department of Education must take central responsibility. ANCSA was the single largest legislation concerning land, Alaska Natives, Federal and State title while also clearing rights allowing the pipeline to be built. Still most Alaskan non-Natives see ANCSA as legislation giving land and money to Alaska Natives. They don't learn that actually the land being given is from Alaska Natives to the state and Federal government and the money is the cost of those lands - over 300 million acres.

The confusion reinforces stereotypes and continues to add to the mutual distrust of the Native and non-Native communities. To avoid the topic in schools is to neglect the education of all the citizens of our state.

I see little that encourages any belief the Department of Education will address the issue. Instead the State Department of Education is largely about the business of how to make our state education a more efficient cookie cutter imitation of "Lower 48" goals. I don't disagree with learning and teaching about preparing to deal with the 21st century (although I am tempted to ask for a moratorium on the term), I would just like us to teach Alaska students how to prepare for the 21st century here. ANCSA should be a part of a required class on Alaska Studies. For those who need to imitate education Outside they can be reassured that Texas, California and many other states already require state history courses for high school graduation.

Once the course is required we can discuss the merits of how best to go about doing so. ...Paul Ongtooguk

ANCSA-RELATED SIDE EFFECTS

by

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"ANCSA-RELATED SIDE EFFECTS," Kornelia Grabinska, Tanana Chiefs Conference, Inc., March 1983, From Tanana Chiefs Conference, Inc., Interior Region Post ANCSA, Impact Analysis. Used with permission of Tanana Chiefs Conference.

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INTRODUCTION

ANCSA's indirect effects are defined in this paper as those caused by the Act, but not actually provided for in the legislation. While the lives of Alaskan Natives have changed dramatically in the decade since the passage of ANCSA, exact causes are difficult to pinpoint. ANCSA may have had no novel effect on Alaskan Natives; instead, it may have intensified and accelerated existing trends. In the past, nature and distance isolated Alaska, but technology has brought the world to Alaska's doorstep. Even though some people say that nonrenewable resource exploration is "the second discovery of Alaska," modern resource exploitation engenders far more drastic and permanent change in the character and quality of Alaskan life than the gold rush did.¹ Assimilation accelerated as Native contact with western culture increased. For the purposes of this paper, assimilation is understood as a variable process that includes the interaction of four steps. Groups become amalgamated and identified, their cultures change and their structures become integrated.² If these four processes destroy the boundaries of a group, maximal assimilation occurs. Discussion concerning the varying degrees of assimilation experienced by the Native people is extremely important. Questions outlined here for analysis, but not necessarily answered include: how is assimilation to be measured? Do concepts, such as acceptance of new institutional relationships, feelings of efficacy and frustration, bear significance to such an analysis? Or is assimilation simply measured in statistical terms, such as economic success, political organization and participation, literacy levels and educational advancement? With ANCSA, Congress intended to increase the self-determination of Alaska Natives and weaken the traditional trustee role of the federal government. While Alaska Natives may indeed depend less on the government, most observers agree that Natives are no closer to self-determination than before, that they are merely at a new level of dependency and cannot act in their own interests without advice from accountants, lawyers or brokers. It was expected that the \$1 billion cash settlement would significantly influence the economy and subsequently the standard of living in the villages.³ Until 1971, few villages had electricity and sewer systems; considerable change has taken place in these areas. Section I, Economic Impacts, asks: are the Native people integrated into Alaska's economy with an occupational distribution and income comparable to non-Natives? The 2(c) report prepared in 1974 made this prediction:

"As contact between urban and rural Alaska communities increases, and transportation and communication improve, particularly television, along with improvements in material comforts, there will be disturbing side-effects as the Native culture is further eroded.

To many Native people, the land claims act and creation of village corporations present an opportunity to try to retain many valued aspects of the traditional culture and way of life, while selectively taking advantage of modern technology and the white man's culture.⁴

The Native perspective has become split in recent years. Urban Natives who have lost contact or who never have had contact with village life often view land claims differently than those who remain in villages. Their sources of income and their everyday concerns differ. As a result, it is difficult to find a consensus among Natives on vital issues.

The 2(c) report stated:

". . . vastly different village and urban lifestyles create a barrier to mutual understanding and communication between Alaska's Natives and its immigrants.

Bridging this gap of understanding and directing the rapid social, economic and cultural changes to mutual benefit are the challenges facing Alaska today."⁵

Section II, Political Impacts, deals with Native participation in political affairs and the question of whether the Land Claims Act is leading to self-determination, to termination, or to both. Section III, Social Impacts, discusses social changes and trends, such as the appearance of new cleavages, classes, modes of operation, and social organization. In the last section, Section IV, impacts of ANCSA on education in Alaska will be presented. Developments in the field of education and insights into the Native special interest self-government movement will be characterized. The theme of this paper is the 100-year "transition" that Alaska Native society is undergoing. Will the upheaval in Native society soon come to an end or will it be further intensified? Since World War II, the changes affecting Native society have constantly increased in rate and importance, and the last 20 years have been truly transforming. Many observers see the year 1991 as the termination date.

I. ECONOMIC IMPACTS

Self-sufficiency and Native participation in Alaska's economy were principal objectives of the people who brought about the passage of ANCSA. But the Act contains only two provisions addressing these issues:

Sec. 7(d): Regional corporations shall be incorporated to "conduct business for profit."

Sec 8(a): Native residents "shall organize as a business for profit or nonprofit corporation."

It was expected that the Native corporations would bring economic development, employment and dividends to Native communities.

In 1976, the Wall Street Journal reported that:

"These [Native] corporations are having such an impact that Alaska may never be the same. Their investments have already touched just about every segment of the Alaskan economy — building hotels, mineral and oil exploration, reindeer herding, construction and engineering, real estate, fishing and fish processing, timber, transportation."

". . . the Native corporations are providing badly needed capital for Alaska's fast growing and

traditionally capital-hungry firms. . . ."

". . . the Native firms have moved more slowly and been more conservative than had been expected by the rest of the business community."⁶

Only to a certain degree has this remained true. Economic consultants began to warn that investment in rural areas might not be economically feasible.⁷ In many cases, the village corporations bought out local general merchandise stores, fuel depots, and distributorship rights. Enlarged corporations would announce their presence by building headquarters, and leasing parts of the buildings. ANCSA village corporations are not effective institutions for business development mainly because (1) there is a lack of local diverse investment opportunities (with the exception of areas where commercial fishing is present) and (2) there is not enough capital available for long-term, low-return investments. Consequently, the village corporations have located the bulk of their money in money market funds and savings deposits. Since timber resources in the Interior are not as abundant as in Southeastern Alaska, they did not offer quick money for dividends. Timber will be a valuable resource in the Interior only after a transportation system is built to bring it to market. Since village corporations do not own the subsurface mineral rights to their lands, those resources are not directly available to them. The disputed case of sand or gravel ended with a decision unfavorable to villages when the 9th Circuit Court reversed the District Court decision in 1982. The 25 village corporations in Interior Alaska [excluding villages under Section 19(b)] average 269 stockholders each. It is estimated that a corporation, depending on the number of locally owned subsidiaries, employs one to 20 or more people. Observers agree that in rural areas the positive economic impact of Native corporations is felt primarily through employment. Dividends, if declared, are small.

The small size of the village corporations restricts their financial success; operating costs dissipate their funds. Between 31 and 88 percent of their operating budgets go to lawyers, accountants and other professionals.⁸ There are three consolidations in the Interior region. According to some observers, mergers and consolidations are the only ways the small corporations can be saved from bankruptcy.

Village economic activities are either subsistence or cash oriented. It seems, however, that ANCSA has brought a stronger trend toward a cash economy even though few sources of cash besides welfare are available in a village.

Jobs in most villages are usually limited to a few positions, such as school maintenance, teacher's aides, postmasters, storekeepers, health aides, and bilingual teachers. Seasonal employment — summer cannery work, fire fighting, and construction — provide some income. Income is also received from local part-time commercial activities. The "Alaska Natives and the Land" ;in 1968 said about urban Natives:

"in urban areas, Native unemployment appears to be higher than among non-Natives. Lacking education and marketable skills, the villager is not usually equipped to compete in the job market."⁹

The 2(c) report prepared in 1974 as required by Sec. 2(c) of ANCSA concluded:

"Alaska Natives benefit from federal expenditures and the concomitant multiplier effects in direct proportion of their participation in the cash economy. If Natives do not fill federal jobs, work on federal contracts or sell goods and services to those who do, they benefit substantially less. As long as Alaska Natives stay on the margin of the cash economy, even in those programs designed

primarily for or of major benefit to Natives, more non-Natives than Natives will be the major economic beneficiary."¹⁰

Prior to statehood, the rural (primarily Native) economy experienced 50 percent to 70 percent unemployment.¹¹

According to the 1970 census, unemployment for the Native population was 20.2 percent, compared to 8.2 percent for non-Natives. The census also documented that the percentage of job-holding Alaska Natives is about half the comparable rate for non-Natives, and that 29 percent of the Alaska Natives who worked in 1969 worked for 40 weeks or more (68 percent for non-Natives). Steve Harrison, in the "Alaska Native Report," published in December, 1982, gives three main reasons to explain the situation: Alaska Natives have inadequate experience, education, training; they live outside the effective labor market area (three-fourths of the Alaska Native population lives in remote villages); there is discrimination against Alaska Natives.¹²

The 1970 census reports that 63 percent of Alaska Natives were neither working nor looking for work at the time of the census. Harrison concludes:

"Many Alaska Natives today are primarily engaged in subsistence activities, including food gathering, storage, trading, clothesmaking, transportation, and so on. Subsistence offers a relatively self-contained system by which thousands of Alaska Natives work directly for their daily sustenance and contribute to their community in mutually accepted and culturally meaningful way."¹³ (Author's emphasis.)

No current employment survey is available for the interior region. A regional survey was performed recently in the NANA region and produced the following data:

8 percent of Native population employed full-time.

47 percent of Native population employed part-time.

47 percent of Native population unemployed.¹⁴

These figures may be an indicator of the employment situation in other regions. Also, it must be noted that NANA is undertaking a relatively large number of projects.

The 1970 census reported that the 1969 median family income was under \$6,000. For Native villagers, 1969 per capita incomes, counting the income equivalent of subsistence food production, were about half those for urban Natives and about one-third of those for non-Natives. Without counting the value of subsistence foods, Native villagers have about one-fourth the per capita income of non-Natives.¹⁵

MEDIAN YEARLY INCOME PER PERSON

FOR ALASKAN POPULATION, 1970

	<u>Income per Person (\$)</u>
U.S., Total	2,976
Alaska Natives:	

Urban	2,312
Rural	916
Non-Natives, Total	3,593

MEDIAN YEARLY INCOME PER PERSON

BY NATIVE REGIONS, 1970

	<u>Natives</u>	<u>Non-Natives</u>
ALASKA, Total	\$1,111	\$4,069
Regions:		
ALEUT	1,953	2,560
ARCTIC SLOPE	1,076	5,737
CALISTA	663	4,976
BERING STRAITS	599	4,696
BRISTOL BAY	1,083	3,758
CHUGACH	1,740	4,387
COOK INLET	1,998	4,076
AHTNA	1,429	4,268
KONIAG	1,750	3,512
NANA	1,120	5,463
DOYON	1,028	3,806
SEALASKA	1,744	4,605

Since, according to the 1970 census, almost half of the Alaska Native population lived near or below the poverty level, the public assistance programs were essential sources of relief. The breakdown of the 1980 census data is not available at this time.

The "Alaska Natives and the Land" reported in 1968 that state public assistance provided income to almost one of four households in villages and welfare payments administered by the Bureau of Indian Affairs averaged about \$115 per person over the year, the total expenditure reaching \$1,200,000 in the year.¹⁶

The 1970 census reported that one-fourth of Native families were receiving public assistance in the spring of 1970, but only 160 families depend solely on public assistance (excluding subsistence harvesting). Half of those receiving public assistance had total incomes below the poverty line, and two-thirds of those in poverty did not receive public assistance.¹⁷

According to Public Assistance Recipient and Expenditure Study, Semi-annual Report published in October, 1982, the total amount spent in the State in the six-month period was \$2,033,045.00. Natives received 42 percent of that. Six programs were analyzed in the report: AFDC (Aid to Families with Dependent Children), ABL (Aid to the Blind), APD (Aid to the Permanently Disabled), GRM (General Relief Medical), GRA (General Relief Assistance).¹⁸

"U.S. News and World Report" reported in March, 1983, that the federal government's direct payments in 1982 to all U.S. residents averaged \$1,228.¹⁹ This figure includes social security, Medicare, veteran benefits, food stamps and federal retirement. The State of Alaska was last in total amounts paid — \$300 million — and per capita aid — \$673.

The 2(c) report describes the changes in the economic picture of a village:

"As money becomes more important, subsistence survival confronts the cash economy. People are torn between moving away to larger villages and cities in search of jobs or remaining in villages where jobs are few and public assistance is one of the few means available to acquire cash for things that must be bought."²⁰

"More remote villages in northern and western Alaska were less affected by these trends, but in recent years it has become apparent that all rural Alaska villagers are in an economic trap because of the transition from subsistence to cash. They are unable to return to a complete subsistence life, nor are they able to earn enough cash to buy food, supplies and services required to live comfortably in the larger villages."²¹

In a study done about the Koyukon people published in 1978, Richard Nelson reported:

". . . wage earning detracts from subsistence by taking people away from the land.

". . . People who are committed to subsistence usually shy away from these jobs because-hunting, trapping, fishing, and gathering require a full-time effort for maximum success. Seasonal employment is, therefore, preferred by many people. . ."²²

According to a 1974 survey in the Bristol Bay area, 95 percent of the residents depended directly on subsistence.²³ Karen Perrett said that 3,000 acres were traditionally used/needed to support one person.²⁴ If the Land Claims Act had mandated a conveyance to individual Natives, each individual would get about 500 acres of land (depending on the population figure used).

The 2(c) report (1974) in the Survey of Native Views reported that more than three-fourth of Natives living in small and medium-sized villages rely on the land around them for food. The report said:

"If these families, the majority of whom are already living on incomes below the poverty level, were to lose their access to subsistence resources or their harvesting rights, they could be left economically destitute."²⁵

Nelson reports that in the Koyukon region, earnings from trapping during one winter can be \$5,000 or more.²⁶ However, according to the Rural Alaska Community Action Program, some village families spend between 25 and 50 percent of their total annual cash income on energy costs, particularly for oil to heat their homes during the winter.²⁷

Observers disagree about the degree of reliance on a cash economy. Alonso and Rust's predict that "village life will continue to become more dependent upon outside sources of cash income to replace subsistence hunting and fishing."²⁸ VanStone maintains that while cash does not necessarily replace subsistence, it takes

some of the uncertainty out of it.²⁹ Nancy Davis is of the opinion that:

"After much fluctuation over many years, a more steady level may be reached where a balance of the two appears. "For example, as long as there is cash available for some families in some communities, there will be a greater dependence upon it than on the subsistence available. But when that cash source dries up then a return to greater use of subsistence is called for. Also, if the subsistence resource is over utilized, then it is time to change the resource, or perhaps shift to cash for awhile."³⁰

Nelson sees subsistence as a "dominant economic factor in village life. Most families would face extreme hardship if these resources became scarce or unavailable. Very few could earn a sufficient wage locally to support themselves on imported foods, and so government support would be their only option."³¹ According to Nelson, in the Koyukuk Area, "subsistence is overwhelmingly the foundation of village life . . ." and that the subsistence economic base of those villages cannot be replaced at the present time.³² The 2(c) report said:

". . . subsistence hunting, fishing and gathering still play a critical part in the lives of rural villagers. Of roughly 150 Native villages of less than 300 people, subsistence activity is estimated to provide at least half of the daily caloric intake."³³

"As subsistence life becomes more expensive and difficult, people must increasingly depend on store-bought groceries and goods. Young people returning to the villages from boarding schools who haven't learned the old subsistence skills must live more and more in the cash economy."³⁴

As mineral resources are discovered on Doyon's lands, the possibility of their economic development becomes an issue. Many argue that three models of economic development are possible:

- I. Subsurface development versus subsistence.
- II. "Careful" subsurface development compatible with subsistence.
- III. Development toward "self-reliance."

Regional corporations consider models I and II when designing developmental strategies.

The 1982 general election campaign illustrated that the regional corporations are committed to protecting the subsistence economy. A conflict between development and subsistence has not yet taken place in the Interior. An interesting development during the 1980 NANA Corporation annual meeting can illustrate this conflict occurring elsewhere.

Until 1980, NANA shareholders persistently voted down mineral development, expressing their preference in continuing the subsistence economy. But in 1980 they needed cash to pay for houses that were built to improve the standard of living in the villages, fuel to heat those houses and fuel and ammunition to continue their subsistence lifestyle. Therefore, they voted in favor of mineral development.³⁷

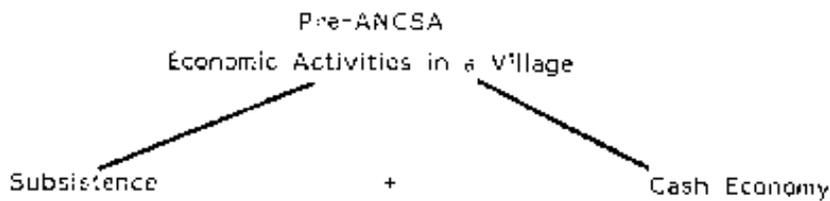
Observers say resource development does not have to threaten the subsistence lifestyle if it is planned and executed carefully. If no roads are built and no new permanent settlements are allowed, the impact of mineral development on subsistence can be minimal.

The third model — development toward self-reliance — is advocated by the Interior Village Association

(IVA). This agency believes that small-scale agriculture and husbandry is a feasible basis for the village economy. It lists several possibilities such as dairy or pork farming, grain production, and rabbit or fur animal raising.

In the introduction to the [in] 1977 book, Lost Frontier: The Marketing of Alaska, Ralph Nader comments:

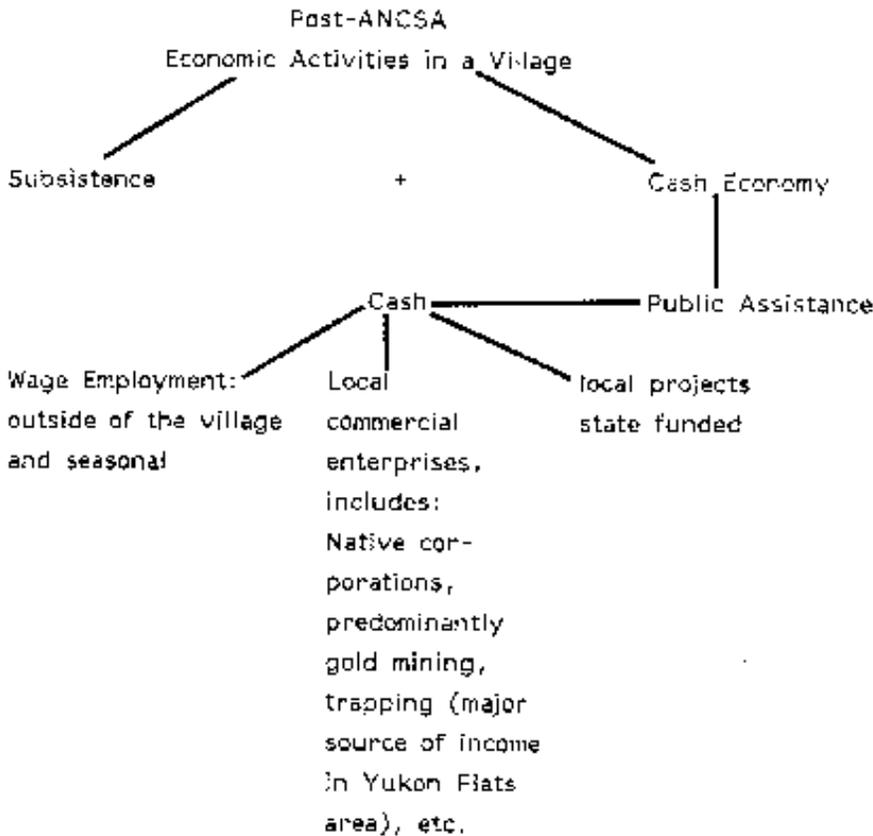
"The choices of economic development are choices of the kind of society that will evolve. . . . Pipelines have impacts on the wilderness and the cities, on alcoholism and welfare, on corruption and inflation, as any boom-to-bust project would produce. " . . . fisheries might mean small business. Agriculture means numerous farmholders; minerals mean a few multinational corporations."³⁶



(Socially: based on cooperation and sharing rather than on competition. Sharing based on minimizing hardship rather than on maximizing gain.)

[Break between these two activities exists; needs in one will not be met by exploitation of resources in another].

(Socially: competition, maximizing gains; gains located in banks not visible in the villages).



II. POLITICAL IMPACTS

"Thus, the culture of the early historic period was ending; the new life of the most advanced technology was threatening the villages and camps; the people were trying to revive or perpetuate at least part of the aboriginal culture; and they were also using their new social forms — principally, formal association — to deal with the threats to their survival, not as individuals but

as a people on their own territory." (Margaret Lewis)

Observers are divided as to whether or not the Land Claims Act is a termination act. Some see in it elements of self-determination as well as termination.

If ANCSA succeeds in assimilating the Native population into the dominant Western culture, there will be no need for federal government to exercise its trust responsibility over the well-being of Natives. Legislation addressing this responsibility would then have only historical value and would probably be repealed.

The Land Claims Act terminated and extinguished Native Claims to all lands in Alaska.

"Sec. 4(a) All prior conveyances of public land and water areas in Alaska, or any interest therein, pursuant to Federal law, and all tentative approvals pursuant to Section 6(g) of the Alaska Statehood Act, shall be regarded as an extinguishment of the aboriginal title thereto, if any.

(b) All aboriginal titles, if any, and claims of aboriginal title in Alaska based on use and occupancy, including submersed land underneath all water areas, both inland and offshore, and including any aboriginal hunting or fishing rights that may exist, are hereby extinguished.

(c) All claims against the United States, the State, and all other persons that are based on claims of aboriginal right, title, use, or occupancy of land or water areas in Alaska, or that are based on any statute or treaty of the United States relating to Native use and occupancy, or that are based on the laws of any other nation, including any such claims that are pending before any Federal or State court or the Indian Claims Commission, are hereby extinguished."³⁷

Some of the ANCSA provisions are seen as an attempt toward termination. Of primary importance is the question of what can be done about Natives born after December 18, 1971, those not directly participating in the settlement. Nancy Davis, in a 1979 report for the Federal-State Land Use Planning Commission for Alaska, said:

"Less than half the Native population will be shareholders in Native corporations in 1991. The disfranchisement implied by this fact undermines what the Act was purported to accomplish: self-determination."³⁸

Some other provisions indicating termination are:

Sec. 7(h)(3) Alienation of Stock in 1991.

Sec. 21(d) Taxation of land, originally scheduled to start in 1991, later amended to start 20 years from the moment of conveyance.

A quote from a letter from the federal government written in 1823 addressed to the Council of the Cherokee Nation illustrates the termination issue:

". . . custodian relationship to the Indians [will continue] until such time as [they] . . . become merged in the white population, and take the standing of individual citizens."³⁹

According to Stephen Conn and Bart Kaloa Garber's report, "Moment of Truth: The Special Relationship of

the Federal Government to Alaska Natives and Their Tribes," the goals of termination policy, already largely accomplished in Alaska, are:

1. To eliminate reservations.
2. To turn over Indian affairs to the state.
3. To make Indians subject to state control without federal support restrictions.
4. To end the "trust" status, so Indian lands would be fully taxable and alienable.
5. To end special federal health, education and general assistance programs for Indians.⁴⁰

Individually, Alaska Natives have successfully integrated themselves into the larger society. "Through individual acculturative experiences [such as serving with armed forces, attending higher education systems] . . . these people came to master the mysteries of political and communication tactics of American society."⁴¹

Natives have secured seats in the local (territorial and state) legislatures, beginning with Paul Williams, Sr., Frank Peratrovich, through Eben Hopson, Clem Tillion, Frank Ferguson, John Sackett, and several others. Most federal agencies that plan or provide services designed for Natives solicit Native participation, frequently in a capacity of advisors. However, as Gerald McBeath and Tom Morehouse report:

"For large numbers of Natives, the confrontation of the two cultures has resulted in economic hardship and cultural dislocation rather than equal participation in economic, social, and political life of contemporary Alaska."⁴²

The question of self-government, i.e., self-determination, is basically one of who makes the decisions affecting the lives of individuals and groups. Since 1936, when the Indian Reorganization Act was extended to Alaska, IRA governments were organized in Alaskan villages. Where the IRA's weren't established, a traditional government continued to operate in the form of village councils. Finally, the Alaska State Constitution provides a legal basis for effective rural government, providing for a "maximum amount of self-government."⁴³

The most substantial amount of political power, at this time, is exercised by the Native regional corporations and their statewide organization, the Alaska Federation of Natives, Inc. ANCSA corporations allowed for independent decision-making in the area of economic security. Observers say that Native corporate leaders faced with hard business decisions are beginning to take more conservative stands. Natives have traditionally belonged to the Democratic party, but a shift in political philosophies is occurring. Rosita Worl said, ". . . you're going to be seeing a lot more Native Republicans than you saw in the past . . . the Republican philosophy will probably be more beneficial to the Native corporations . . ."⁴⁴

In the opinion of McBeath and Morehouse, ANCSA corporations and the nonprofit associations are mechanisms best able to promote borough formation. These authors see in such a unification a protection of the rural Native interest in the growing urban/rural competition for limited state resources.⁴⁵

Two recent efforts to organize borough governments have occurred in primarily Native rural areas. A feasibility study in 1979 looked at the possibility of forming a borough in the Yukon Flats. The study revealed that pipeline and pump stations would provide an adequate tax base. The measure failed at the polls, but the idea remains under investigation.

The Association of Village Council Presidents (the nonprofit association in the Calista region) completed a

study in 1982 recommending the organization of a borough corresponding with the Calista boundaries. The plan encountered revenue problems and would have required changes in state laws as the region boundaries included three and one-half REAAs and one city school district.

The NANA region is developing a coordination mechanism for federal, state and local programs affecting the northwest Arctic region.⁵⁰ The NANA proposal has been confronted by two problems. First, regional leaders have found difficulty familiarizing their constituents with the objectives and needs for region-wide planning. Second, is the problem of convincing various federal, state and local agencies to submit to screening by a quasi-governmental organization. These difficulties, however, have appeared to increase regional leaders' interest in forming boroughs. Finally, an adequate tax base and the possibility of greater control over education are incentives for further planning.

IRA organizations predate ANCSA corporations and they have a longer history of providing services and representing Native interests. The Land Claims Act, by conveying land and money to the Native corporations, left tribal governments without an economic basis. Since the passage of ANCSA, the IRA councils could not claim the lands owned by Native corporations.⁴⁶ The IRA governments suffer also because of funding problems, competition with ANCSA corporation interests, and a legitimacy in the eyes of the state. In some communities, a situation of political conflict has resulted between various Native interests and between Native and non-Native interests. The major conflict has involved land-use planning. The village corporations are unwilling to cede lands to the village governments [Sec. 14 (c)(3)] and would like to limit local governmental powers to tax and to control land-use.⁴⁷

Some observers see the Native corporations taking on tasks previously belonging to tribal organizations. The Indian Self-Determination Act⁴⁸ of 1975 aimed at greater Native involvement in program administration and policy making. It recognized ANCSA corporations, among others, as tribal entities for the purposes of contracting services. That function was not assumed, however, by the profit-making corporations. Both BIA and the Indian Health Service have contracted primarily with nonprofit Native organizations for particular services. In the 1978 review of the Indian Self-Determination Act, the Comptroller General found that some tribes rejected contracting for governmental services because of their fear of termination.⁴⁹

In 1974, the 2(c) report described the political situation in the following words:

"In less than ten years, the essential elements of contemporary Native self-governance, with the exception of an adequate financial base, have been developed — a common interest and loyalty among constituents, experienced political leadership and management, and the provision of public services, currently provided by the state and federal government. Even without a local tax base, viable regional entities could be formed if the state and federal government would agree to funnel their services and a proportionate share of program and administrative funds through the recognized regional entity. (Ironically, one Native region, the Arctic Slope, which recently formed a borough government, cannot contract with the BIA for providing Bureau services now that it had become an instrument of state government.)"⁵¹

Migration trends that promote the expansion and diversification of regional service centers (such as McGrath, Fort Yukon, Galena, etc.) are the expression of a desire to increase local control and the decentralization of services. Regionalization of the delivery of services increases Native participation in the administration of these services.⁵¹

Observers, noting the prevailing trend of Native migration to urban centers, underscore the political nature of the possible conflict among Native groups over whether to preserve the traditional use of land or to rapidly develop nonrenewable resources. That conflict will probably involve the relationship between majorities and minorities.

III. SOCIAL IMPACTS

"The Native people are divided themselves between the old life of self-sufficiency and the new life oscillating between wage employment and welfare, between the corporatists running the Native corporations for maximum profit and the traditionalists who plumb the meaning of life with their culture, their traditions, and their relationship with the land."

Ralph Nader

Economic integration is followed closely by social integration. Economic integration implies similarity between members of two societies in their occupations and income. But social integration, implies the continuing existence of separate groups within a larger matrix -and a feeling of identification with those groups on the part of many members.⁵²

Natives were treated as second-class citizens for a long period, but a political awakening during the 1960s unified the Native movement and created a new type of political awareness. ANCSA validated this movement establishing a new identity and pride in being Native.

Senator John Sackett of Ruby observed that non-Natives changed their attitude toward Natives when ANCSA gave Natives economic power and position — elements valued in western culture.⁵³

Native leader Emil Notti sees the positive impact of the Land Claims Act not only in the fact that people feel good about themselves and confident in meeting challenges, but that they have new social mobility and a choice of direction.⁵⁴

The emphasis placed on economic competition seems to continuously erode traditional patterns. The old model of social interaction based on cooperation gives way to a new one based on competition. Corporations are altering lifestyles and traditional Athabascan values are being replaced by Western corporate values. The tradition of cooperation was based on the custom of sharing. Notti said in an interview in 1976:

"The idea of sharing is giving way to profit-making. In the old days the standard of a man's status was how big a potlatch he could throw. Now that's been turned upside down. Now his mark is how much he has. . . ." ⁵⁵

If assimilation is understood as equal participation of different societies in the national economy, then the process will be completed when the Native people come to think in rational, economic terms.

In 1969, the AFN sought to have a "Native" defined as any citizen who is an Alaskan Indian, Eskimo, or Aleut of one-fourth degree or more, or, lacking proof of race, who is regarded as a Native by the village of which he claims to be a member and one of whose parents was considered to be a member.

The Land Claims Act brought to life a new definition of a "Native" person that is based on an ownership of corporate stock. The Act also created a new class of Natives, continuously growing since Dec. 18, 1971 — the

class of disenfranchised Natives born too late to be enrolled under ANCSA. Lawyers labeled them the "afterborns." Only through inheritance will those Natives gain participation in ANCSA corporations. Many corporations are trying to find alternatives to include the afterborns as shareholders.

As the influence of kinship, solidarity, economic reciprocity and other traditional values diminishes, some observers comment that rural Alaska communities are becoming caricatures of the small American town. A dual system has emerged, says Worl: ". . . in rural villages the economic assimilation into a capital economy, . . . is not a reality at this point in time . . . But, for the leadership, the ones that hold the \$90,000 a year jobs and those kinds of jobs, . . . that's economic assimilation."⁵⁶

Unequal degrees of economic assimilation have caused different levels of participation in ANCSA corporations and created new class divisions. Differing levels of participation in ANCSA corporations may have damaging effects. People who participate minimally, or not at all, may be more inclined to sell their shares. Says Worl, ". . . people are going to say, 'I've received very little or none at all, but yet I see these other guys jet-setting it around, you know, they're benefiting, but I'm not.'"⁵⁷

There is a general agreement among observers that the real benefit of the Land Claims Act is increased employment and not payment of dividends. Thus, considering the new distribution of wealth, a new class structure is formed, based on employment and income.

Studies of Indian populations undergoing assimilative processes in urban areas in the Lower 48 suggest the following class distinctions:

1. a growing body of Indian professionals linked to federal agencies or tribal bureaucracies;
2. a destitute Indian population at the bottom of the social and economic ladder; and
3. urban migrants who have been integrated into the working class.⁵⁸

It was also concluded that the perceived economic and political interests of all three groups are likely to diverge, and the social distances among them are likely to be substantial.⁵⁹

Karen Perret opines:

"In the clash between communal and competitive values, there is a shift from a multi-ethnic situation to one where the remnants of ethnic groups will sort into economic classes."⁶⁰

Worl notes a general misperception that in traditional societies people were equal: ". . . but in groups that I studied there was very definitely a ranking, a stratified system." She adds, ". . . it [the stratified system] wasn't as pronounced as what you're going to be seeing in the future as a result of ANCSA."⁶¹

As a result of the assimilative processes, different migration trends have appeared in Alaska.

The Federal Field Committee for Development Planning in Alaska reported in 1968 that Native migration is increasing to the six largest Alaskan cities. Growth of some large Native towns, such as Kotzebue, Bethel and Barrow, also was reported as doubling and tripling their 1950 population levels.

About other Native places it was reported:

". . . villages are not vanishing from the scene today as is often assumed. There are today 12

fewer separate Native places (of 25 or more persons) than were indicated in the 1950 census, but more than 80 percent of the places continuing to exist are larger than they were 17 years ago. And more than half of these are growing more rapidly than the approximate rate of net natural increase."⁶²

In 1970, 17 percent of Alaskan Natives lived in urban areas, 83 percent in rural areas.

The 2(c) report had this explanation about the rural preference:

"But despite its hardships, rural living is still the choice of most [of] the Eskimo, Indian and Aleut people. According to village people it offers tranquility, and a closeness with family, friends and the land, thus, provides a richness of life that makes them willing to endure poverty in material things."⁶³

<u>1970</u>	<u>Total Native</u>	<u>Indian</u>	<u>Eskimo</u>	<u>Aleut</u>
Urban	17%	29%	9%	22%
Rural	83%	71%	91%	78%

Between 1970 and 1980 total Native urban migration increased by 88 percent: 17 percent urban population in 1970 to 31 percent urban population in 1980. (Places with a population of over 2,500 are considered urban.)

<u>1980</u>	<u>Total Native</u>	<u>Indian</u>	<u>Eskimo</u>	<u>Aleut</u>
Urban	19,604	*9,971	-7,167	°2,466
Greater Than (2,500)	(31%)	(46%)	(21%)	(30%)
Rural	44,499	**11,898	=26,977	°°5,624
Less Than(2,500)	(69%)	(54%)	(79%)	(70%)

*approximately 33% in city center or urban fringe, 33% in cities of more than 1,000 population, 33% in cities of 2,500-10,000 population.

**about 15% in population centers of 1,000-2,500, 85% in population centers of less than 1,000. – about 54% in city centers or urban fringe, 12% cities of more than 10,000, about 30% in cities of 2,500-10,000.

= 20% in population centers of 1,000-2,500, 80% in population centers of less than 1,000.

°62% in city center or fringe, 6% in cities of more than 10,000. 32% in cities of more than 2,500-up to 10,000.

°°20% in population centers of 1,000-2,500, 80% in population centers of less than 1,000.

The Native population in major urban centers (Anchorage, Fairbanks, Juneau) is growing at a rate of between one to three times the rate of total Native population growth in the State.

Total Natives in Urban Areas

	<u>1970</u>	<u>1980</u>	<u>% Increase</u>
Anchorage	4,946	8,953	81%
Fairbanks	1,778	2,987	68%

Juneau 1,755 2,190 25%

Native Population Increase Statewide

<u>1970</u>	<u>1980</u>	<u>% Increase</u>
50,605	64,103	27%

Total Population Increase

	<u>1970</u>	<u>1980</u>	<u>% Increase</u>
Anchorage (Bor)	126,385	174,431	38%
Fairbanks (Bor)	45,864	53,983	17%
Juneau (Bor)	13,556	19,528	44%

Native Population as Percent of Urban Area 1980 Percent of

	<u>1970</u>	1980 Percent of <u>Increase or</u>	<u>Decrease</u>
Anchorage (B)	3.91%	5.13%	+1.22
Fairbanks (B)	3.88%	5.33%	+1.65
Juneau (B)	12.95%	11.21%	-1.74

Between 1970 and 1980 the average village population loss in the Doyon region was 2.37 percent. This percentage is based on data available for 26 out of 45 villages in this region (see Appendix II for list of villages).

It appears that the fastest growing villages in the Doyon region are Rampart (up 36%), Circle (15.1%) and Beaver (13.5%). The places that appear to be losing population at a high rate are: Grayling (down 36.3%) and Stevens Village (33.5%).

In 1967, George Rogers estimated the future size of Alaska’s Native population.⁶⁴

<u>Low Estimates</u>	<u>High Estimates</u>
(2% declining annual rate of net natural increase and stagnating economy, migration of Natives from Alaska	and economic growth, migration of Natives to places within Alaska

1970	53,400	60,000
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1980	60,900	831,000
1990	69,000	109,000
2000	77,100	141,000

Total Native Population 1939-1980

		Eskimo	Indian	Aleut
1939	32,458	15,576	11,283	5,599
1950	33,863	15,882	14,089	3,892
1960	42,522	22,323	14,444	5,755
1970	50,605	28,233	16,080	6,292
1980	64,103	34,144	21,869	8,090

When Roger's estimates are compared with the census data on the actual Native population, it is obvious that the figures of total Native population for 1970 and 1980 are closer to Roger's low estimates than his high estimates. In 1970, the figure was about 3,000 lower than Roger's low estimate, but in 1980 the population was 3,203 higher than his low estimate.

The actual growth of the Native population seems to be conforming to Roger's low estimate.

IV. ANCSA IMPACTS ON EDUCATION

In 1976 the state established a concept of educational decentralization within the unorganized borough system. Twenty-one Regional Education Attendance Areas were organized displacing the centralized State-Operated School System (SOS). REAAs are exposed to Native demands in many parts of rural Alaska through Native participation in local advisory school boards, community school committees, district school boards, and parent advisory committees. Given a constitutional mandate for REAAs to satisfy local educational needs, REAAs should respond positively to these demands. REAAs exercise defacto control over the budgetary process, personnel management, and academic programming. In 1975 the Indian Self-Determination Act provided for tribal organization contractual powers over educational services. This has sometimes confused matters since different Native organizations have claimed such powers.⁶⁵ Controversy of a different nature has developed as some Native regions look at developing tax bases with the idea of organizing new boroughs and as urban complaints increase that disproportionate state revenues are being funneled into the REAAs.⁶⁶ REAAs have provided Natives with the opportunity to participate in federal and state governmental contexts and to protect various Native interests relating to educational policy.

At the same time, REAAs must fulfill growing Native educational expectations and balance the relationship between Native cultural values and the development of economic security as it relates to these expectations.⁶⁷

Provisions and stipulations of the Indian Self-Determination Act (1975), the increased Native participation in REAAs, the progressive movement toward self-government (illustrated in part by increasing numbers of IRA council applicants) and, most importantly, the ANCSA 1991 implications all suggest that Native students should be trained and educated to ensure effective Native control of ANCSA corporations, IRAs, REAAs, and

service delivery areas.

The development of the REAAs and legislation such as the Self-Determination Act are understood as logically connected "side effects" of ANCSA in the sense that these developments are parts of a larger, continued movement toward greater self-government and self-determination. The maintenance of Native control over ANCSA for-profit corporations and the need to "turn profits" point to obvious Native educational needs. Perret sees a growing recognition of educational needs in order to understand and participate in the corporate structures imposed upon Natives.⁶⁸ Finally, in the Department of the Interior 2(c) study, ANCSA is understood as directly increasing the need for Natives with a high degree of education in order to fill corporate positions.⁶⁹ Since REAAs and the Indian Self-Determination Act (1975) are designed to respond to local pressures, it appears that they ought to be capable of helping to facilitate educational needs created as a result of ANCSA.

In an educational context, choices must be made concerning educational preferences and program alternatives. Choice must be exercised over a broad spectrum of Native needs, some of which may prove to be incompatible. Natives must resolve the relationship between preservation of traditional cultural values and the need for economic development (given the profit-making nature of ANCSA corporations).

In 1973 "Project Anna" (a study for the BIA Office of Educational Programs which included representatives from many organizations including ISEGR, AFN, RurAL CAP, SOS, BIA, etc.) compiled and analyzed survey information collected from various Alaska Native associations. The primary objective of the study was to isolate Native educational needs and preferences. "Project Anna" determined the following major preferences:⁷⁰

- Native adults and students generally desired an education policy that offered a choice of satisfying either Native or non-Native cultural needs (author's emphasis).
- Native School Board members expressed the need for full, legal control of schools.
- Need for local village high schools (author's emphasis).
- Need for high school and post high school vocational training.
- General preference on the part of students to attend college.

The first preference illustrates Native concern about the relationship between traditional and contemporary lifestyles.

Other relevant studies include the 1979 "Small High Schools Project" by the Center for Cross Cultural Studies at the University of Alaska and a 1978 ISER study. In part, these studies analyzed developmental needs of rural youth, emphasizing educational policy promoting economic independence⁷¹ and the understanding of ANCSA implications and corporate activities.⁷² The 1978 ISER study also outlined a general framework that incorporated self-development and related goals. The program included awareness programs, exploration programs, and transitional programs designed to enhance educational experiences.⁷³

Another ISER study in 1978 entitled "Alaska Native Students and College Success" found a significant negative correlation between college success⁷⁴ and high school academic preparation. Other influencing college success were goal orientation and feeling at ease in campus society.

Finally, a 1982 ISER study "Native College Success in the 1970s" focused on identifying trends of college success of Natives at the University of Alaska—Fairbanks. College success increased from 1960 to the 1970s.

Also, the number of Natives graduating with all types of degrees increased through that period. These trends continued until the mid-1970s with an apparent leveling off or decrease during the late 1970s. High school students' ACT scores decreased from 1963-1978. It was assumed that this would be corrected to a certain degree by counseling and tutoring services provided at the University of Alaska (Cross-Cultural Educational Development Program and Student Orientation Services).⁷⁵

In a series of personal interviews conducted March 15, 16, and 18, 1983, with five University of Alaska—Fairbanks educators, several questions were posed concerning the education of Alaska Natives. In the following discussion, the more relevant issues will be outlined, general agreement or major variances of opinion and key remarks will be related.

The first question area concerned perceptions of ANCSA educational needs and the role of various institutions.

All the educators agreed that the public school system had a responsibility to teach Native students the implications of ANCSA in 1991. They agreed that ANCSA is misunderstood by the general American public and that efforts should be made to inform Americans about ANCSA's legal grounds. Pam Herman saw a need to develop an understanding of ANCSA within the context of Alaska Native history, literature, and social studies.⁷⁶ Dennis Demmert said he felt a need to educate Native students (and others) about the basic terms and concepts of the Act before its implications could be understood.⁷⁷

There was quite a difference of perception in terms of the current status of this responsibility. Most differences concerned the type and intensity of state intervention needed. Judy Kleinfeld felt that effectively teaching students about ANCSA was hampered by inadequate teaching materials and conflicted with other pressures on teachers' time.⁷⁸ On the other hand, Ray Barnhardt said that the State DOE should require teachers to have a knowledge of ANCSA for certification.⁷⁹ Dennis Demmert felt that some rural Alaskan teachers were not prepared to teach cross-culturally.⁸⁰ The educators generally agreed that a more coordinated and systematic approach was needed by the State DOE, the university system and rural Alaska high schools.

Another question area concerned agreement or disagreement with the first Project ANNA discussed above. In general, the respondents felt that the idea of providing a "choice" of educational directions, reflecting emphasis on either Native or non-Native cultural needs, was unrealistic. Sue McHenry doubted whether traditional Native studies could be taught in a formal Western school environment.⁸¹ Ray Barnhardt suggested that people move freely back and forth between the two cultural contexts.⁸² Dennis Demmert was concerned that some of the traditional lifestyle is lost in the process of defending of it.⁸³

On the question of declining ACT scores and its significance, Sue McHenry said that the tests were not relevant to the village environment and that low ACT scores were not connected to survivability at the University of Alaska.⁸⁴ Judy Kleinfeld thought dropout rates from high schools had decreased and that this was being reflected in the ACT scores.⁸⁵ All the interviewees commented on the corresponding decline in ACT/SAT scores nationwide. This suggests problems with the educational system as a whole.

Finally, on the question concerning the educational role of Native organizations, they generally agreed that the different organizations sometimes conflict in the area of service delivery. Ray Barnhardt commented that this was generally a healthy characteristic, but cautioned that destabilization of Native interests was a concern and desire for some. He also felt that the organizations needed to develop a functional concept.[@] Dennis Demmert

said that the REAAs have a legal responsibility and constitutional mandate to deliver education services appropriate to rural community needs; therefore, there should be no confusion between primary and secondary education responsibilities.⁸⁷ Finally, most respondents felt that practical and simulated experiences were valuable in terms of developing certain managerial and technical skills and that Native corporations should support this with various internship programs.

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