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February 9, 1984

Senator Vic Fischer
Pouch V
Juneau, Alaska 99311

Dear Vic:

Although I have been a critic of Alaska's State Office in Tokyo, I found it very useful to me when I was in Tokyo both on State and personal business. My criticism has focused upon our Tokyo Office's preoccupation with Japan, and its failure to develop business with the world's fastest growing regional market: Southeast Asia.

Now it has been suggested we open similar offices in Seoul and Taiwan. I share your skepticism about the cost-effectiveness of this idea, but I do endorse the idea we should expand our Asian market development efforts.

Japan is our primary trade competitor in the entire Asian market, as well as our biggest customer. If we want to expand into the Chinese market, and largely through the overseas Chinese community, we will then expand naturally into the Southeast Asian market where we will be able to sell oil, gas, ore, and some steam coal. Rather than open an office in Taiwan, which will risk some regional political compromise and associated trade difficulties, we should consider Hong Kong, the center of the entire Asian market. Business can be done in Hong Kong without injuring other national or factional sensibilities in Asia. Several other States and larger municipalities, and the Seattle Port Authority, maintain Hong Kong offices. I do not look for the character of Hong Kong to change appreciably after 1991. In any event, Hong Kong will continue to be the world center of trade with Peoples Republic of China.

If the State's Asian market development were to someday justify a third office, rather than in Seoul, which can be effectively covered from Tokyo, I would open an office in Jakarta, Indonesia, headquarters of the Association of Southeast Asian Nations, and work within the ASEAN organization to develop a Southeast Asian market for Alaska. (The members of ASEAN are Indonesia, Malaysia, Thailand, Singapore, the Philippines, and Brunei.)

I don't mean to downgrade Korea's importance as both a

customer as well as a competitor. But Korea must be seen in its proximity to Japan, and her relationship with Japan which has become her door into the mainland Chinese market.

I view the political likelihood of opening more State offices in Asia to be remote. We can cover all of Asia from Tokyo if we outreach to other Asian market places like Seoul, Taiwan, Hong Kong and Singapore. Such an outreach program will cost more money, but would constitute an expansion far more justifiable than opening more state offices in Asia at this time.

Thanks for your interest.

Sincerely yours,

Thelma

Thelma Garcia Buchholdt

cc: All members,
House & Senate

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Department of Education, would perform this responsibility. Under a reimbursable services agreement, that division has been doing this since 1979 anyway. Considering the nature of its other duties, that division is the most logical place for this state function to be performed.

Sincerely,

/s/
Bill Sheffield
Governor

EO 56 was referred to the State Affairs, Health, Education & Social Services, and Finance Committees.

EO 57

The following letter dated January 9, 1984, accompanied EXECUTIVE ORDER NO. 57. (EO 57 is available from Documents.)

A zero fiscal note accompanied EO 57.

Dear Representative Hayes:

Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance with AS 24.30.13(b), I am transmitting an executive order that transfers the Alaska State Office from the Governor's Office to the Department of Commerce and Economic Development and renames it the Alaska Foreign Office.

Under current statutes (AS 44.19.074 -- 44.19.082), the Alaska State Office is in the Office of the Governor. Because the functions of the Alaska State Office are in the area of economic development, resource, and trade information, and contact between government and private industry, the appropriate administrative location for the office is the Department of Commerce and Economic Development. With a very slight re-wording, this Order just relocates the current statutes to that department's chapter from the Governor's Office chapter. No substantive changes are being made. State employees in the Tokyo office remain in the exempt service by virtue of AS 39.25.110(17).

Renaming the office as the Alaska Foreign Office gives it an obviously more appropriate name.

EO 56

Department of Education, would perform this responsibility. Under a reimbursable services agreement, that division has been doing this since 1979 anyway. Considering the nature of its other duties, that division is the most logical place for this state function to be performed.

Sincerely,

/s/
Bill Sheffield
Governor

EO 56 was referred to the State Affairs, Health, Education & Social Services, and Finance Committees.

EO 57

The following letter dated January 9, 1984, accompanied EXECUTIVE ORDER NO. 57. (EO 57 is available from Documents.)

A zero fiscal note accompanied EO 57.

Dear Representative Hayes:

Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance with AS 24.30.130(b), I am transmitting an executive order that transfers the Alaska State Office from the Governor's Office to the Department of Commerce and Economic Development and renames it the Alaska Foreign Office.

Under current statutes (AS 44.19.074 -- 44.19.082), the Alaska State Office is in the Office of the Governor. Because the functions of the Alaska State Office are in the area of economic development, resource, and trade information, and contact between government and private industry, the appropriate administrative location for the office is the Department of Commerce and Economic Development. With a very slight re-wording, this Order just relocates the current statutes to that department's chapter from the Governor's Office chapter. No substantive changes are being made. State employees in the Tokyo office remain in the exempt service by virtue of AS 39.25.110(17).

Renaming the office as the Alaska Foreign Office gives it an obviously more appropriate name.

EO 57

I believe that this transfer will improve the efficiency of state government.

Sincerely,

/s/
Bill Sheffield
Governor

EO 57 was referred to the State Affairs and Labor & Commerce Committees.

EO 58

The following letter dated January 9, 1984, accompanied EXECUTIVE ORDER NO. 58. (EO 58 is available from Documents.)

Three fiscal notes which accompanied EO 58 appear in House and Senate Journal Supplement No. 13.

Dear Representative Hayes:

Under the authority of art. III, sec. 25, of the Alaska Constitution, I am transmitting an executive order that transfers two veterans' programs from the Department of Commerce and Economic Development to the Department of Military Affairs and renames that department as the Department of Military and Veterans' Affairs.

The veterans' services program (AS 26.10.010 -- 26.10.050) and the veterans' burial allowance program (AS 26.10.080) are both currently assigned to the division of Investments within the Department of Commerce and Economic Development. This executive order would transfer these two programs to the renamed Department of Military and Veterans' Affairs.

The transfer places these programs where they logically belong and the departmental name change corresponds more nearly with the name of Title 26 of the Alaska Statutes, "Military Affairs and Veterans." Most of that title already relates to the Department of Military Affairs. After transfer of these two programs, AS 26.15, concerning the veterans' loan program in the Department of Commerce and Economic Development, will be the only part of AS 26 that relates to another agency. The amendment of AS 26.-15.030(c)(1) in sec. 12 recognizes that change by slightly modifying one of the duties of the Department of Commerce and Economic Development. The language being added to AS 44.35.020 in sec. 21 of the order, listing duties of the Department of Military and Veterans' Affairs, is a consolidation of current AS 26.15.030(c)(1) and (3) (the latter of which is being repealed in sec. 25 of the order).