

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672

1662 SCOMM 65: HOUSE SPEC. COMM. ON FOREIGN TRADE 1989-90

1230



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

Jm. Butler

Signature of Camera Operator

12/14/83

Date

SCOMM 65: HOUSE SPECIAL COMMITTEE ON FOREIGN TRADE, 1989-1990/HOUSE
SPECIAL COMMITTEE ON FOREIGN AND DOMESTIC TRADE, 1987-1988

MEMBERSHIP 1989/1990:

REPRESENTATIVE GEORGE JACKO, CHAIR
REPRESENTATIVE BETTY CATO
REPRESENTATIVE VIRGINIA COLLINS
REPRESENTATIVE CLIFF DAVIDSON
REPRESENTATIVE MIKE DAVIS
REPRESENTATIVE JOHNNY ELLIS
REPRESENTATIVE BILL HUDSON

Established by HR 1, 1989.

Contents: 5" of files (as well as 2" of files from 1987-1988 House Special Committee on Foreign and Domestic Trade, Rep. Cliff Davidson, Chair). 11 tapes and minutes are also available of meetings held 1/26/89 - 4/5/90.

LIST OF FILES (PAGE 1)

MICROFICHE #

1987 - 1988

1. LETTERS, 1987-1988
2. 1/28/88 MEETING
3. 2/25/88 MEETING
4. 3/10/88 MEETING
5. 3/29/88 MEETING
6. TRADE SPEECH (REP. BARNES), 2/87
7. VENEZUELAN TRADE VISIT (JANE ANGUIK), 7/87
8. EXPO 88 AUSTRALIA
9. ALASKA DELEGATION TO Khabarovsk, 10/88

1989 - 1990

10. PROPOSAL FOR SOVIET TRIP, 1989
11. LETTERS, 1989 - 1990
12. 1/26/89 MEETING

SCOMM 65: HOUSE SPECIAL COMMITTEE ON FOREIGN TRADE, 1989-1990

LIST OF FILES (PAGE 2)

MICROFICHE #

13. 2/28/89 MEETING
14. 3/22/89 MEETING
15. 3/30/89 MEETING
16. 4/24/89 MEETING
17. 5/1/89 MEETING
18. 8/21/89 BRIEFING
19. 9/5/89 BRIEFING
20. 9/19/89 BRIEFING
21. 12/8/89 WORK SESSION
22. SOVIET DELEGATION, 2/21/89
23. FISHERIES CONFERENCE (INTERNATIONAL) 3/89
24. HOKKAIDO-ALASKA CONFERENCE, 4/89
25. SOVIET DELEGATION, 6/89
26. GOVERNOR'S TRIP, 9/89
27. EASTERN SOVIET TRADING COMPANY, 11/90
28. MISCELLANEOUS INFORMATION

SCOMM

65:1

INC.

MAIN OFFICE
192 Nickerson, Suite 312
Seattle, Washington 98109
Telephone: (206) 281-9289
1-800-367-9928

MC SCOW OFFICE
National Hotel, Suite 449
Moscow, USSR

June 24, 1987

JUN 29 1987

JUN 25 1987

Representative Cliff Davidson
720 Mill Bay Road Room 231
Kodiak, AK 99615

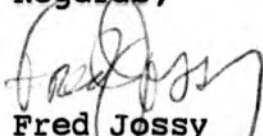
Dear Cliff:

I am hoping that by now Dan Dixon has communicated to you the plans for the Governor's trip to the Soviet Far East in September. I feel badly that you were left uninformed - as I was - for so long with regard to the eventual plans.

I am still determined to plan a mission of the scope that we discussed in April. I am advised that the September trip will be used as a sounding board to determine the potential for trade, and that we may be able to begin preparations immediately upon their return with a departure in "early spring", i.e. March or April.

As more information becomes available, I will relay it to you.

Regards,


Fred Jossy
Marketing Director

cc: H.A. Boucher

Bailey, Donohue

*State
Trade*

Financial Advisors

V.E. Bailey, Sr.
(1916-1978)

Managing Directors

N.A. Bailey

M.A. Donohue-Bailey

July 24, 1987

The Honorable Cliff Davidson
Representative
Box 746
Kodiak, Alaska 99615

Dear Representative Davidson:

It was a distinct pleasure to meet you in Anchorage at the International Financial Conference. The positive implications of the collective discussions held there are enormous. Your concern for Alaska's future success, not just financial success, was evident in the other subjects we discussed. The re-flagging matter is of great concern for there are those who will, as Sir David Li commented, take an unfair advantage. You are right to be vigilant. The best exercise of vigilance in my opinion though is the communication associated with letting one's constituents know the substance of the concern as well as what is proposed to be done about it on a timely basis. It would be useful of course to have the position of the Alaska Congressional Delegation on the the matter. However, who else affected by the matter might be contacted? Those most affected at the moment may in fact be those now least knowledgeable! I am confident your desire for a useful resolution will cause you to leave nothing untried in your effort to gain it.

In the event myself or my firm can be of service or assistance, please feel free to call on us. When you are in Anchorage next, please allow me to host lunch. Just let my office have a couple of days notice! (I'll be away from the office August 20 through 28, however!)

With my best regards, I am

Respectfully yours,

Norm Bailey

Norman Bailey
President
NB/ps
Enclosure

Five-Fifty West Seventh Avenue
Suite 1880
Anchorage, Alaska 99501
(907) 277-2605

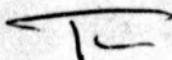
AUG 3 1987

July 25, 1987

Cliff:

Mike and I spent an hour and a half with Dan Dixon yesterday going over our thoughts on the study and getting his ideas. He seemed to have a better understanding of our purpose, and was interested in our including certain areas of interest to him, tourism, tax and other business incentives. Those are reflected in the work program I attach here. I'm going to meet with Dan again after my return from the West Coast August 12, to get down to more specific areas of interest. Over the next few weeks we should develop a questionnaire to be used as a guide during the interviews, in discussions between yourself, Mary, Mike, Dan and I.

Best Regards,



Tim Bradner
950 Coral Lane
Anchorage, Alaska 99515

July 26, 1987

To: Rep. Cliff Davidson

From: Tim Bradner

Japan Trade Offices Survey

Purpose: To survey Japan trade offices activities and overseas marketing and promotion efforts of selected U.S. states, with a special emphasis on tourism promotion, resources marketing, and tax or other business incentive programs.

The goal is to present a picture of how states are marketing themselves in Japan today, and to see if Alaska can benefit from some of the experiences of other states with specific programs, such as tourism.

Sample and methodology: Most U.S. states now have offices in Japan, but only a few of these would be surveyed for information that would be relevant to Alaska. Western states, particularly Washington, Oregon and California, would be included in this group. The survey would be conducted by interviews in the Tokyo offices of selected states, followed by interviews in U.S. offices responsible for directing overseas promotion, such as the office in Olympia responsible for Washington's activities, in Sacramento responsible for California's.

Objectives: The objective is not only to describe specific functions, organizational structures and programs of these offices, but also to offer the assessment of those interviewed as to the effectiveness of specific types of programs, such as tax or other business incentives. Another objective is to see how specific states assist resources marketing, such as western states' efforts to help forest products and agriculture, coal-producing states with coal, etc.

A final objective is to offer an institutional history of Alaska's foreign offices and overseas marketing efforts, including original purposes in opening the offices, and some of the successes and failures over the years.

The product: A written report to be completed by January 30, 1988, and availability for presentations to the House International Trade Committee or other committees.

Staffing: Interviews in Tokyo offices would be by Tim Bradner; home office interviews on the West Coast would be by Tim and Mike Bradner. The institutional history would be prepared by Mike Bradner.

Alaska Economic Report

3037 SOUTH CIRCLE ANCHORAGE, ALASKA 99507

(907) 344-2455

July 14, 1987

Rep. Cliff Davidson
Box 749
Kodiak, Alaska 99615

Dear Cliff,

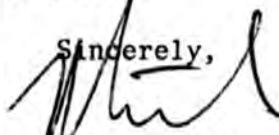
Enclosed is a draft contract for the review of trade office functions of Alaska and the various states active in the Far East. I used an old Legislative Affairs Contract as a model, and while they have probably changed their contract foremat it should provide a good guide to LAA.

The dollar amount used \$5,000, but if there is less available that is also fine. I also put the dollar fee in as simply a lump sum professional fee, with expenses the responsibility of the consultant. In this case this seems to me to keep things on a more neat and simple basis, since Tim will be doing a few other jobs on the trips in question. The actual breakout would likely be that several thousand would be consumed in expenses, with the remainder going towards actual work.

I failed to clarify one item on page 2 under CLAUSE IV -COMPEN-
SATION, which should to to specify the 'time' of payment Probably a
"C" should be added that says ". . . payment is to be made 50% on
October 1st and the remainder on completion of the contract.

I'll give you time to get this and then give you a call in the next week.

Sincerely,



Mike Bradner

3037 South Circle
Anchorage, Alaska 99507
(907) 349-7711 / 344-2455

**CONTRACT BETWEEN
STATE OF ALASKA, LEGISLATIVE AFFAIRS AGENCY
and
Tim Bradner
dba, Alaska Information & Research Services**

The parties to this agreement are the LEGISLATIVE AFFAIRS AGENCY (on behalf of the House ^{Special} Committee On International Trade), hereinafter referred to as the "Agency," and TIM BRADNER, d/b/a Alaska Information and Research Services, hereinafter referred to as the "Consultant." *and Domestic*

THE PURPOSE OF THIS AGREEMENT is to assess and prepare a report on Alaska's overseas marketing institutions in comparison with other resource exporting states.

CLAUSE I. - STATEMENT OF WORK

A. The "Consultant" shall: Prepare a report that compares Alaska's overseas marketing activities with other states, with a focus on western-resource exporting states and Japan. The work will be preformed in a series of interviews conducted in Japan in October/November, 1987, with supplementary interviews conducted in the home offices of selected western states responsible for directing foreign trade activities.

B. The product will be a report to the committee of approximately 25-30 pages, comparing the functions of Alaska's office in Tokyo with those of selected other states, and comparing the management structures, goals, objectives and budgets of overseas marketing efforts of selected states. Particular attention will be paid to the organizational and functional relationship between the offices themselves and selected states' economic development activities. The report will also include a brief organizational history of Alaska overseas offices.

CLAUSE II. PERIOD AND DATES OF PERFORMANCE

A. The work under this contract will commence upon the signing of this agreement by both parties hereto.

B. This agreement may be terminated by either party upon written 30-day notice to the other part.

C. Unless extended by written agreement, this agreement expires January 1, 1987.

CLAUSE III. - PROJECT DIRECTOR

The project director shall be the Chairperson of the House ^{Special} Committee on International Trade.

and Domestic

CLAUSE IV. - COMPENSATION

A. For the work specified in this contract, the consultant shall be compensated a total professional fee of \$5,000.

B. The consultant shall not be reimbursed for travel and other expenses. Travel and expenses are the responsibility of the "consultant."

C. Payment will be made 50% on Oct 1st and on completion of contract 50%.

CLAUSE V. - OFFICE SPACE, EQUIPMENT, SUPPORT

Office space, equipment, professional and clerical support for the consultant to carry out obligations under this contract shall be supplied by the consultant.

CLAUSE VII. - RECORDS, DOCUMENTS, AUDIT

The consultant shall maintain adequate records such as may be required by the "Project Director." The records are subject to examination by the "Agency" or "Project Director" at reasonable times. All documents, records, and writings within the assigned task under this agreement shall become the property of the State of Alaska.

CLAUSE VIII - PROGRESS REPORTS

The "Consultant" shall keep the "Project Director" informed of the progress of the work effort, and shall supply progress reports as required by the "Project Director."

CLAUSe XIX -ALL WRITINGS CONTAINED HEREIN

This agreement contains all terms and conditions of this professional services contract agreed upon by the parties hereto. No other understandings, oral or otherwise, regarding the subject matter or methodology of best effort professional services, shall be deemed to exist or bind either of the parties.

IN WITNESS WHEREOF, The parties have executed this agreement on the dates indicated.

CONSULTANT

LEGISLATIVE AFFAIRS AGENCY

3037 S. Circle
Anchorage, Ak 99507 (907) 349-7711

Date:_____

Date:_____

Bus License:_____

August 24, 1987

Professor Sarkis J. Khoury
Graduate School of Management
University of California, Riverside
Riverside, California 92521

Dear Mr. Khoury,

I was pleased to receive your recent letter. It was a pleasure meeting you at the International Banking and Finance Meeting.

The Special Committee on International & Domestic Trade will be meeting soon to plan the agenda for the 1988 legislative session. I would be pleased to have you address this committee and will suggest your name when we convene. I will contact you after our final agenda is drafted.

With personal regards,

Cordially,

Representative Cliff Davidson

CD/sl

UNIVERSITY OF CALIFORNIA, RIVERSIDE

BERKELEY • DAVIS • IRVINE • LOS ANGELES • RIVERSIDE • SAN DIEGO • SAN FRANCISCO

GRADUATE SCHOOL OF MANAGEMENT
(714) 787-4551



RIVERSIDE, CALIFORNIA 92521

SANTA BARBARA • SANTA CRUZ

5 -
Please acknowledge
w/ offer of any assistance
Also we shall work
on a minute after a
contg of int 2 trade attel
7/27/87 agenda.

Dear Cliff,

What a pleasure it was to meet you. You are a wonderful example of what Alaskan are all about: hospital, longemial and very nice.

I hope that our contact, brief as it was, has convinced you that I am delighted at becoming Alaskan at Heart and I am prepared to do anything reasonable to help whenever my schedule allows.

I hope to hear from you and to see you soon.

All the best!

Sincerely
Mark Khoury

SYMPOSIUM
April 26-28, 1987

RECENT DEVELOPMENTS IN

INTERNATIONAL BANKING and FINANCE

sponsored by

The Graduate School of Management
University of California-Riverside

co-sponsored by

- The Philadelphia Stock Exchange
- ASIAN FINANCE

contributor

- The Options Clearing Corporation

location

University of California Conference Center
Lake Arrowhead, California

SYMPOSIUM OBJECTIVES

- To bring together recognized academicians and practitioners for intensive discussion of current issues in international banking and finance.
- To discuss developments in concepts, models, tools, techniques, and computer software in the major areas of international banking.
- To publish annually a book of the accepted papers which can be used as a source of authoritative information on the frontiers of international banking research and as educational material in international banking courses (training or academic).

THE PARTICIPANTS

- The symposium is designed for upper management in commercial, investment, and central banking, pension and mutual funds, and for multinational corporate treasurers, and members of international business faculties.

PROGRAM FORMAT

- State-of-the-art papers and tutorials will be presented by five practitioners and five scholars. Submitted papers will be refereed by the following internationally recognized scholars:

Michael Adler, Columbia University
Tamir Agmon, University of Southern California
Gunter Dufey, University of Michigan
Bernard Dumas, The Wharton School
Sarkis J. Khoury, University of California, Riverside
Donald Lessard, MIT
Richard Levich, NYU
Lemma Senbet, University of Wisconsin-Madison

Non-Academic Reviewers

Marcelle Arak, Citicorp
Michael Granito, J.P. Morgan Investment Mgmt., Inc.
Jeffrey Hanna, Salomon Brothers

- Accepted papers will be published by D. C. Heath and Co. in a volume edited by Sarkis J. Khoury of the Graduate School of Management, University of California, Riverside and Alo Ghosh of McKinsey and Co.
- This symposium is planned to be held annually in April. The papers will be published by December.

PROGRAM OUTLINE

The symposium will deal in varying degrees with the following areas:

International Money and Capital Markets—Major Developments and Trends

- International Bond Markets
- International Stock Markets
- International Portfolio and Asset Pricing Models

Foreign Exchange Markets (Tutorials & Papers)

- Outlook
- Forecasting—Where Do We Stand?
Where Do We Go From Here?
- Foreign Exchange Risk Management
 - New Tools
 - New Strategies

Hedging, Arbitrage and Speculation with Forwards, Futures and Options

- Comparing the Instruments
- Latest Developments in Option Pricing Models
- Forwards, Futures, and Options in Portfolios
- Risk Arbitrage

Swaps (Tutorials & Papers)

- Interest Rate Swaps
- Fixed Rate Currency Swaps
- Currency Coupon Swaps
- Basis Rate Swaps
- The Risks and the Returns in the Swap Market
- Pricing Swaps
- Warehousing Swaps—Advantages and Disadvantages
- Regulatory Implications

Asset—Liability Management

- The Gap Models
- Simulation Models
- New Innovations in Asset/Liability Management

Trade Financing

- Bankers Acceptance Market
- Countertrade—Recent Trends

LOCATION

- The symposium is residential and will be held at the University of California Conference Center at Lake Arrowhead, a beautiful resort area in Southern California providing a range of indoor and outdoor recreational facilities such as tennis courts and swimming pools.
- The symposium begins officially the evening of the 26th of April with an opening dinner. The papers and the tutorials will be presented on the 27th and the 28th. Every luncheon and dinner will have a major personality as a keynote speaker.
- The final schedule of events will be ready by the end of March, 1987.

FEES & REGISTRATION

The fee which includes lodging, meals, seminar fees and the book based on accepted papers, is as follows:

\$990.00—single occupancy

Registration is based on space availability; therefore, registration form and deposit should be received as soon as possible. The maximum number of participants is 100. Deadline for registration is April 15, 1987.

INQUIRIES & RESERVATIONS

Please contact: Professor Sarkis J. Khoury
Graduate School of Management
University of California, Riverside
Riverside, California 92521

Telephone: (714) 787-3750 or:
(714) 787-4238—Mrs. Vela Johnson

Registration Form

RECENT DEVELOPMENTS IN INTERNATIONAL BANKING AND FINANCE

April 26-28, 1987

Name

Place of Business

Mailing Address

Title

Tel. No.

Make Checks Payable to:

THE REGENTS, UNIVERSITY OF CALIFORNIA,
and mail to:

International Banking and Finance Symposium
Graduate School of Management
University of California, Riverside
Riverside, California 92521

Enclosed is my deposit of
(\$200.00 minimum deposit per person,
not refundable after April 15, 1987)
Balance is due by April 4, 1987
Single Occupancy—\$990.00*

Number of Persons

*Fees include lodging, meals, seminar
fees and the book based on accepted papers.

STATE OF ALASKA

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

OFFICE OF INTERNATIONAL TRADE

STEVE COWPER, GOVERNOR

7TH FLOOR FRONTIER BUILDING
3601 C STREET, SUITE 722
ANCHORAGE, ALASKA 99503-5934
PHONE: (907) 562-2728

October 5, 1987

Representative Cliff Davidson
Chair, House Committee
on International/Domestic Trade
3111 "C" St., suite 150
Anchorage, Alaska 99501

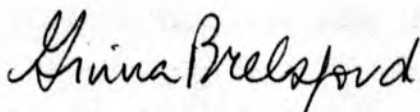
Dear Representative Davidson:

Please find enclosed a brief description of the legislative seminar the Office of International Trade is proposing for the Senate and House international trade committees. We have tentatively scheduled the seminar for [REDACTED] in [REDACTED]

I am seeking your participation in the seminar -- both in terms of encouraging your fellow committee members to attend and with financial support to help defray travel costs and the lectureship fee for our guest speaker, Mr. John Gissberg. Mr. Gissberg will be travelling to Anchorage from Juneau; we will need to pay travel costs and one night hotel stay. I believe most lecturers receive between \$250 and \$400.00 per day.

Mr. Gissberg will return to Alaska in October after a 4-year tenure as the chief Fisheries Attache for the U.S. Embassy in Tokyo. Mr. Gissberg is an Alaska attorney who is fluent in Japanese and a specialist in fisheries issues. Your support and help are appreciated.

Sincerely,



Ginna Brelsford
International Trade Advocate

PROPOSED INTERNATIONAL TRADE SEMINAR FOR THE SENATE AND HOUSE
COMMITTEES ON INTERNATIONAL AND DOMESTIC TRADE

Background/description:

The Office of International Trade and the UAA Center for International Business will jointly sponsor an international trade seminar for the legislative committees on international and domestic trade.

The purpose of the seminar is to help inform the legislature about key international trade issues facing Alaska. The seminar will pay particular attention to fisheries issues .

When: November 12, 1987 from 10:00-3:30 at LIO in Anchorage

Schedule:

10:00-12:00 Alaska fisheries issues -- an international challenge.
Mr. John Gissberg

12:00-1:00 Lunch with speech by Mr. Gissberg on Alaska-Japan relations

1:30-2:30 : Professor John Kim: Pacific Rim Markets for Alaska's natural resources with special emphasis on Alaska-Korea relations.

2:30-3:30: Mr. Dan Dixon and Ginna Brelsford of the Office of International Trade will outline the state's role in facilitating international trade. Special attention will be devoted to Alaska-China relations and Governor Cowper's recent China mission.

OFFICE OF THE GOVERNOR

OFFICE OF INTERNATIONAL TRADE

7TH FLOOR FRONTIER BUILDING
3801 C STREET, SUITE 700
ANCHORAGE, ALASKA 99503-5934
PHONE: (907) 561-5585

Mary Mullen

October 27, 1987

561 5585

Senator Zharoff
720 Mill Bay Rd, Room 231
Kodiak, Alaska 99615

Dear Senator Zharoff:

I would like to invite you and your staff to attend an international affairs seminar on November 12, sponsored by the Governor's Office of International Trade and the UAA Center for International Business.

As a leader in Alaska international trade efforts, you will be called upon to make important policy decisions about Alaska's economic relations with our Pacific Rim neighbors. This seminar will address the critical international issues facing the Alaska Legislature, with special emphasis on the marketing of Alaska's natural resources to China, Japan and South Korea.

The seminar is scheduled for November 12 from 9:30 a.m. to 3:00 p.m. in Anchorage at the UAA Chancellor's conference room -- Room 204 of the Administration building.

The seminar will be structured as a panel discussion featuring Mr. John Gissberg (our special guest), Mr. John Kim of the UAA Center for International Business and myself, Director of the Office of International Trade.

Mr. Gissberg is an Alaska attorney with a fisheries background who has just returned to the state after a four-year tour of duty with the U.S. Embassy in Tokyo.

Schedule for the day's program:

9:30 - 12:00: Overview and update: Current issues in Alaska international trade with South Korea, Japan, China and the Soviet Union. State and university participation in developing international trade relations -- facts or fictions?

Call Penny

BIT ACIB marketing calendar

October 27, 1987

12:00 - 1:00: Lunch with keynote address by Mr. John Gissberg: Alaska's role in U.S.- Japan trade relations.

1:15 - 2:00: Marketing Alaska's resources in the Pacific Rim -- the state's role and legislative initiatives.

2:00 - 2:45: Alaska fisheries issues and international relations.

2:45 - 3:00: Summary by panelists.

Please RSVP to Ginna Brelsford in my office at 561-4538. Parking at UAA is a problem. When you call to RSVP, you will be assigned a designated parking space. I look forward to your participation.

Sincerely,

Dan Dixon
Director



Official Business

Alaska State Legislature

House of Representatives

Special Committee
International and Domestic Trade

P.O. Box V
State Capitol
Juneau, Alaska 99811
907-465-2487

M E M O

TO: Rep. Ben Grussendorf,
House Speaker

FROM: Rep. Cliff Davidson

DATE: Nov. 5, 1987

RE: International and Domestic Trade Committee Meeting

Rep. Dick Schultz is planning to attend the International Trade seminar in Anchorage on November 12, 1987, and would like to be paid mileage from Tok to Anchorage round-trip and one night's lodging in Anchorage. To my knowledge, he is the only member requesting travel funds.

John Gissberg, former fisheries attache' to Tokyo will be the featured speaker. He will be speaking about "Fisheries and International Tension" and will also talk about key issues effecting Alaska's relationship with Japan. He will also address how the State of Alaska can best use U.S. Embassies throughout the world. Mr. Gissberg is an Alaskan scholar who will be helpful to us in the years ahead, I'm sure. I am requesting that he be paid a \$500 honorarium, which would be taken out of my committee budget.

Thank you for your consideration of these two requests.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF INTERNATIONAL TRADE

STEVE COWPER, GOVERNOR

7TH FLOOR FRONTIER BUILDING
3601 C STREET, SUITE 708
ANCHORAGE, ALASKA 99503-5834
PHONE: (907) 561-5585

November 20, 1987

Representative Cliff Davidson
Box 746
Kodiak, Alaska 99615

Dear Representative Davidson:

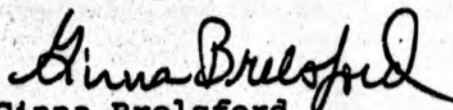
Thank you for participating in the Office of International Trade's November 12 legislative seminar. Your sponsorship and encouragement for the seminar facilitated the actual event. Your commitment to education and the exchange of ideas is commendable and will go far in promoting the work of your legislative committee on international trade.

I am summarizing key comments and themes from the seminar and will forward them as soon as I finish the document. I believe there will be substantial testimony to the need for Alaska to develop an international policy. Our office would like to help develop such a policy.

Please extend my thanks to Mary Mullen of your staff. She has been a great help to me in the planning and execution of the seminar.

Thanks again.

Sincerely,



Ginna Brelsford
International Trade Advocate

CC: Mary Mullen



Nome Chamber of Commerce

Post Office Box 251, Nome, Alaska 99762

May 9, 1988

David Samoilovich Sherl
Secretary
Veterans Council
Prospekt Mira, 79/23
129110 Moscow, USSR
RE: SOVIET LIFE, APRIL 1988, "Let's Meet Again!"

Dear Mr. Sherl;

The Nome Chamber of Commerce, Committee for Cooperation, Commerce, and Peace extends an invitation to your Veterans Council to meet in Nome, Alaska.

And we further suggest that the Veterans of the Alaska-Eastern Siberia-Front Ferry route retrace the route coming from the Soviet Union across the Bering Strait to Nome and Fairbanks.

Historically Alaska and the Soviet Far East have been linked in friendship, we look forward to hosting an event in Nome with Soviet and American Veterans.

Let us know, and we will be ready. Enclosed is a copy of the video/film, ALASKA AT WAR. It contains footage of the ferry route from Fairbanks.

Sincerely

A handwritten signature in cursive script that reads "Jim Stimpfle".

Jim Stimpfle
Chairman, Committee for Cooperation, Commerce, and Peace

enclosure/

cc: Governor of Alaska, Steve Cowper
Congressional Delegation, Sen. Stevens
Sen. Murkowski, Rep. Young

An open letter to American World War II fliers

let's meet again!

Dear American World War II Veterans: We are Soviet fliers who participated in the ferry of warplanes during the Alaska-Eastern Siberia-Front airlift. Judging by the number of letters from the United States sent in response to the article about this page of World War II history that appeared in the December 1986 issue of SOVIET LIFE magazine, many former American fliers, aircraft technicians and airfield employees still remember those

grueling but wonderful days when we were comrades in arms.

We Soviet airmen haven't forgotten those times either. We remember well the events of the war years and the faces of our war buddies—Russians and Americans—and the cherished names of those who gave their lives for the sake of victory.

However, we're not going to conceal the fact that the main reason for our writing this open letter is our concern for the destiny of the world, for the future of our children and grandchildren. We deeply believe that the mountains of weaponry amassed all over the planet—including the deadliest, nuclear weapons—are incapable of protecting our countries and peoples against catastrophe. Were we dreaming of these horrid stockpiles when, through joint efforts, we routed that strong and insidious enemy—nazism—over 40 years ago? Was that the future we desired for our countries, for our loved ones after the victory we wished for so badly? At that time it seemed to everyone that peace and tranquillity, happiness and joy, would reign forever on our long-suffering planet.



Above right: 1941. Legendary Soviet flying ace Ilya Mazuruk, Hero of the Soviet Union, commanded the First Shipping Division. Facing page, bottom: 1944. A wedge of American Air Cobra fighters, piloted by Soviet airmen, passes the snow-topped mountains of the Verkhoyansk Range, Eastern Siberia.

That's why we are particularly supportive now of our leader's, Mikhail Gorbachev's, call for a new way of thinking in the nuclear age. His idea presupposes gradual disarmament and cooperation, rather than confrontation and enmity. We also share his view that the only way out of the dead-end street of confrontation lies in dialogue, contact, discussion and negotiation.

The path to mutual understanding and trust is perhaps easier for you and us than for others. Both of us went through the horrible years of the Second World War, frequently looked death in the eye and lost our buddies. Finally, our youth—supposedly the best years of a person's life—flashed by on the battlefield during that cruel war. Things like that can never be forgotten!

Each soldier forged his own way through the war. Ours was laid on land and in the air.

There's no doubt about it—it wasn't easy for the young Soviet fliers to master the American aircraft. They had to learn quickly and undergo a great deal. The flights in arctic conditions were particularly harrowing. The Russian guys learned to operate and land the planes by instruments alone, flying "blind," so to speak. It was this ability that kept many of them alive. Regrettably, not all of the planes reached their intended destination—Krasnoyarsk, from which they continued on to the front. It was a tortuous route. The pilots had to contend with the treacherous arctic cold and fog and unpopulated expanses of tundra and taiga, many thousands of miles wide. There weren't enough airfields in Alaska, on the Chukchi Peninsula or on the Kolyma Lowlands, and the way the airstrips were equipped—there's just no comparing that with the present situation. That's why the risky flights over the ice hummocks of the Arctic Sea, the Bering Strait and the Verkhoyansk and Kolyma ranges took the lives of dozens of Soviet fliers. ▶

To this day, geologists, builders and hikers come across the remains of our comrades and their planes in the taiga and tundra.

Yes, the severe North spared neither men nor equipment. Remember how the cold turned the oil in the Air Cobra engines into chunks of ice, how the refueling lines broke and the brakes failed because of the frost! But the fliers did not buckle under to the fierce cold. The teamwork of the technicians and airfield workers in Nome and Fairbanks, Alaska, and their Soviet counterparts on the windswept landing strips in Uelkal, Markovo and Seimchan and on the Chukchi Peninsula and the Kolyma Lowlands was truly heroic.

Our fliers sang praises to the high-quality American flying machines—the Air Cobra fighters, A-20 (Boston) and B-25 bombers, and transport craft. In them Soviet fliers performed feats of valor, in them they perished like heroes.

Can one forget the touching and generous act of the American teenagers from a school in Buffalo, New York? These fine youngsters gave up their



A young Siberian woman bids farewell to a flier on his way to the Western Front. Above: 1943. A keepsake photo of an air ferry crew.



school breakfasts, lunches, entertainment and candy to raise money to buy a military fighter plane. The children donated the plane to Soviet fliers.

Can one forget the fact that almost every fighter or bomber that left for the distant Soviet-German front carried parcels for the men of the Red Army? The packages contained warm mittens, socks and medicines, gifts from American women, who sincerely wanted to do whatever they could to defeat our common enemy.

In 1944 many of us had the honor of meeting U.S. Vice President Henry Wallace in the settlement of Uelkal on the coast of the Bering Strait on the Chukchi Peninsula. President Roosevelt had instructed him to acquaint himself with the ferry route, visit cities and townships in the Far East and Eastern Siberia, and meet with Soviet military leaders. As the Vice President himself said afterward, his visit to the Soviet Union was a success. The Vice President, his chief pilot Richard Key and the members of his airplane's crew were treated to real Russian hospitality by the Siberians. The Vice President could see for himself our people's warm feelings toward the American people and their devotion to their Allied duty. Our people remained true to their duty to the final days of the war. The reliable air bridge that connected our two countries soon turned into a bridge of

Right: 1944. On the instructions of President Roosevelt, Vice President Henry Wallace (third from left) visited the Eastern Siberian cities and settlements along the air ferry route.





in bids
way to
943. A
crew.



regular Soviet-American diplomatic and military contacts. In short, the air bridge functioned intensively in wartime, working for the peace that was to come. Finally, the long-awaited peace arrived, a peace for which our peoples and all of humanity had paid so dearly.

More than four decades have passed since then. What can be said about these years? Regrettably, mistrust and competition in weapons reared their ugly heads and kept trying to prevail over good will, over the memory of us as comrades in arms. Cracks appeared in the bridges that had united us on the Elbe, in Alaska and on the Chukchi Peninsula.

Surely, any attempt to sow discord between us has no future. If a third world war were to break out, neither you nor we nor the rest of humanity would survive. That would be the end of life on our planet. You must be just as aware of this as we are.

Mutual distrust has failed to wipe out the memory of our wartime youth, years spent in struggle against the common enemy. Those are the years we tell our grandchildren about, hoping all the time to meet with our war-time pals from America.

We veteran airmen pin much hope for a thaw in Soviet-American relations, for an improvement in the international climate as a whole, on the results of General Secretary Gorbachev's visit to Washington last December and on the outcome of his meetings with President Reagan, and, most importantly, on the INF Treaty that was signed by the two leaders. Of course, that is only the first step toward the actual destruction of nuclear weapons, but if our two nations continue to act constructively, the Soviet and American peoples and the rest of the world will have a chance of getting rid of the horrible threat of war forever. Let's also do whatever we can for détente and disarmament.

How lucky the veterans of the Soviet-American meeting on the Elbe are! They get together on a regular basis and keep in touch with one another. We'd like to propose to our American counterparts—veteran fliers, aircraft



Above left:
Colonel Mikhail
Machin (left) and
Lieutenant General
Pyotr Rudenko
(center),
representing Soviet
military command
in the United States,
pose with General
Johnson, commander
of the U.S. air
base in Nome, Alaska.

Above: 1943. This shot was
taken in Fairbanks, Alaska. The
difficulty of their mission, the
hardships en route, created bonds
of friendship among the crews.

mechanics, people who worked at the Nome and Fairbanks airfields during the war, anyone who was involved in one way or another with the Alaska-Eastern Siberia-Front ferry route—let's meet again! Let's get together! We'd have plenty to talk about, tons of memories to share! Where should we get together, and how should we go about it? We're looking forward to receiving any suggestions you might have. Please send them to the following address:

David Samoilovich Sherl
Secretary
Veterans Council
Prospekt Mira, 79/23
129110 Moscow, USSR

or to the Moscow Editorial Board of SOVIET LIFE magazine:

SOVIET LIFE
Novosti Press Agency
Zubovskiy Boulevard 4, K 21
103786 Moscow, USSR

For Soviet war veterans, participants in the
Alaska-Eastern Siberia-Front aircraft
ferry, we remain fraternally yours,

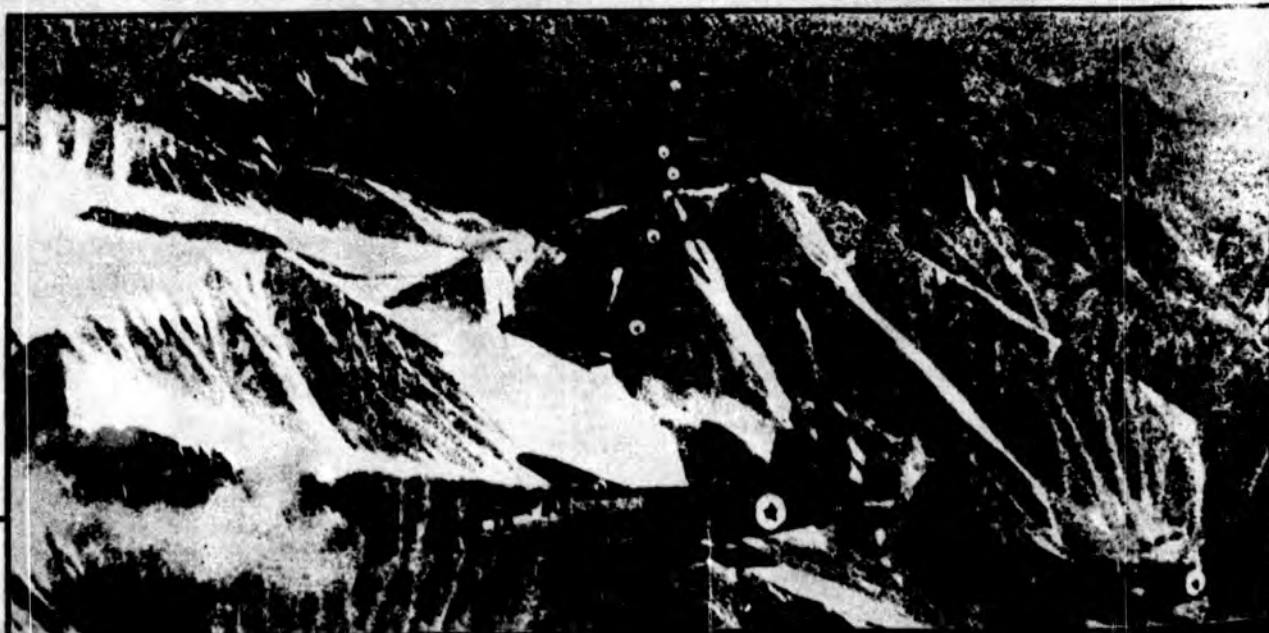
Signed: Air Force Major General Ilya Mazuruk
Air Force Lieutenant General Mikhail Machin
Air Force Major General Mark Shevelev
Air Force Captain Peter Gamov
Air Force Major Fyodor Zhevnikov
Air Force Captain Victor Perov
Air Force Captain-Engineer Dmitri Ostrovenko
Air Force Captain David Sherl





An ope

A wartime photo of Soviet and American pilots, mechanics and airfield personnel taken at Fairbanks, Alaska. Above: 1944. American fighters make their way to the front from Alaska via Eastern Siberia. Shown is the active Avacha Volcano on the Kamchatka Peninsula.



MEMBER OF THE UNITED STATES CHAMBER OF COMMERCE



Nome Chamber of Commerce

Post Office Box 251, Nome, Alaska 99762

September 21, 1988

PRESS RELEASE

THE NOME CHAMBER OF COMMERCE, COMMITTEE FOR COOPERATION, COMMERCE, AND PEACE IS WORKING TO SUPPORT A SCHEDULED FERRYSHIP SERVICE BETWEEN NOME AND PROVIDENIYA AND THE SURROUNDING COMMUNITIES IN ALASKA AND THE SOVIET FAR EAST. WE BELIEVE THIS SERVICE WILL HAVE A GREAT BENEFIT TO THE PEOPLES OF THE BERING STRAIT PROMOTING CULTURAL, EDUCATIONAL, AND COMMERICAL OPPORTUNITIES. SEE ENCLOSED PROPOSAL.

SINCERELY,

JIM STIMPFLER, CHAIRMAN, COMMITTEE FOR COOPERATION,
COMMERCE, AND PEACE

ICS IPMIIHA IISS

IISS FM ITT 21 0925

PMS ANCHORAGE AK

AWQ202 VIA ITT MBT114 01/370 0440

UAXJ CO SUMG 124

M/V PROVIDENIIA 124/105 21/9 1320 PAGE 1/50

JIM STIMPFL

P O BOX 729

01197

PREDSDATELIU SOVETA ZA
SOTRUDNICHESTVO TORGOVLIU MIR
NOM

ALIASKA

UVAJAEMYI MISTER STIMPFL

OT SEBIA LICHNO NARODA PROVIDENIIA PRINOSHU VAM GLUBOKIU
BLAGODARNOST OKAZANNYI MNE TEPLYI PRIEM VASHU ENERGIIU
TRUD PO USTANOVLENIIU MOSTA DRUJBY MEJDU NARODOM PROVIDENIIA
NARODOM NOMA

TE VSTRECHI DELOVYMI I PROSTYMI LIUDMI VASHEGO GORODA

COL 729

0440 NOM ALIASKA PAGE 2/50

OSTANUTSIA NEIZGLADIMYMI MOEI DEIATELNOSTI I PAMIATI KAK
PRESDATELIA PROVIDENSKOGO RAIISPOLKOMA

SO SVOEI STORONY MY SDELAEM VSE OT NAS ZAVISIASCEE DLIA
USKORENIIA RESHENIIA VOPROSOV DALNEISHEGO UGLUBLENIIA SVIAZEI
MEJDU NARODOM PROVIDENIIA NARODOM NOMA

PEREDAITE POJALUISTA BLAGODARNOST CHLENAM VASHEGO
SOVETA ZA IH RABOTU

ZDOROVIA I SCHASTIA VAM I VASHEI SEME

ISKRENNE VASH

PRESDATEL

0440 NOM ALIASKA PAGE 3/5

RAIISPOLKOMA P PROVIDENIIA OLEG KULINKIN

NNN

0929 EST

Model

US13P1M0A F.

A AHQ

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

MEMBER OF THE UNITED STATES CHAMBER OF COMMERCE



Nome Chamber of Commerce

Post Office Box 251, Nome, Alaska 99762

September 21, 1988

PRESS RELEASE

THE NOME CHAMBER OF COMMERCE, COMMITTEE FOR COOPERATION, COMMERCE, AND PEACE IS WORKING TO SUPPORT A SCHEDULED FERRYSHIP SERVICE BETWEEN NOME AND PROVIDENIYA AND THE SURROUNDING COMMUNITIES IN ALASKA AND THE SOVIET FAR EAST. WE BELIEVE THIS SERVICE WILL HAVE A GREAT BENEFIT TO THE PEOPLES OF THE BERING STRAIT PROMOTING CULTURAL, EDUCATIONAL, AND COMMERICAL OPPORTUNITIES. SEE ENCLOSED PROPOSAL.

SINCERELY,

A handwritten signature in cursive script that reads "Jim Stimpfle".

JIM STIMPFLE, CHAIRMAN, COMMITTEE FOR COOPERATION, COMMERCE, AND PEACE

FERRY SERVICE
BERING SEA BETWEEN
ALASKA AND THE SOVIET FAR EAST

The people of the Bering sea region would be served by a Ferryship connecting the Ports of Provideniya and Nome with the the surrounding villages on the Seward Peninsula and Chukotskiy Polvostov.

This ferry service would run during the ice free months enhancing the cultural and commerical opportunities for the people of both countries. Frequent visiting among the Eskimo people would restore the unique cultural heritage of these people.

Overall, citizens of both countries would develop cooperative educational, cultural, and commerical ventures with the opening of this common border between the United States and the Soviet Union.

The use of this vessel would be dedicated to cooperative efforts of Soviet and U.S. citizens from Alaska and the Soviet Far East, providing employment and tourism opportunities for the local populations.

During the ice bound months the vessel would be used by a joint non-profit foundation of Soviet and Alaskan Eskimo and non-native performers and students of the region to sail on a world tour promoting peace, friendship and goodwill among the citizens of the world. Sharing the culture and lifestyles of the people of this region through artistic performances and exhibits. Demonstrating how U.S. and Soviet citizens live in peace along our common border, the Bering Sea.

Participating communities would be Teller, Wales, Little Diomede, Uelen, Lavrentiya, Novo-Chaplino, Sireniki, Gambell, Savoonga with Nome and Provideniya as hub communities. The ferryship would reverse direction at Nome. Different routes could be revised as conditions warrant.

Jim Stimpfle

Jim Stimpfle, Chairman of the Committee for Cooperation, Commerce and Peace, Nome Chamber of Commerce

ICS IPMIIHA IISS

IISS FM ITT 21 0925

PMS ANCHORAGE AK

AWQ202 VIA ITT MBT114 01/370 0440

UAXX CO SUMG 124

M/V PROVIDENIIA 124/105 21/9 1320 PAGE 1/50

JIM STIMPFL

P O BOX 729

01197

PREDSATELIU SOVETA ZA

BOTRUDNICHESTVO TORGOVLII MIR

NOM

ALASKA

UVAJAEYI MISTER STIMPFL

OT SEBIA LICHNO NARODA PROVIDENIIA PRINOSHU VAM GLUBOKIU

BLAGODARNOST OKAZANNYI MNE TEPLYI PRIEM VASHU ENERGIU

TRUD PO USTANOVLENIU MOSTA DRUJBY MEJDU NARODOM PROVIDENIIA

NARODOM NOMA

TE VSTRECHI DELOVYMI I PROSTYMI LIUDMI VASHEGO GORODA

COL 729

0440 NOM ALASKA PAGE 2/50

OSTANUTSIA NEIZGLADIMYMI MOEI DEIATELNOSTI I PAMIATI KAK

PRESDATELIA PROVIDENSKOGO RAIISPOLKOMA

SO SVOEI STORONY MY SDELAEM VSE OT NAS ZAVISIASCEE DLIA

USKORENIIA RESHENIIA VOPROGOV DALNEISHEGO UGLUBLENIIA SVIAZEI

MEJDU NARODOM PROVIDENIIA NARODOM NOMA

PEREDAITE POJALUISTA BLAGODARNOST CHLENAM VASHEGO

SOVETA ZA IH RABOTU

ZDOROVIA I SCHASTIA VAM I VASHEI SEME

ISKRENNE VASH

PRESDATEL

0440 NOM ALASKA PAGE 3/5

RAIISPOLKOMA P PROVIDENIIA OLEG KULINKIN

NNN

0929 EST

Model

U513P1MOA F

A AHG



31 SEP 88 7:15Z

Model

U513P1M0A F

A AHG

1-0761860265 09/21/88

ICS IPMIIHA II98

IISS FM ITT 21 0726

PMS ANCHORAGE AK

AWQ126 VIA ITT MBT098 01/045 99/4208

UINY CO SUMG 060

MAGADAN USSR 60/53 20 1410

DJONU HENDELENDU MERU GORODA NOMA P O BOKS 281

NOM ALIASKA 99762 STATS-UNIS D'AMERICUE

UVAJAE MYI GOSPODIN HENDELEND PRIMITE MOIU BLAGODARNOST ZA

GOSTEPRIIMSTVO I RADUSHNYI PRIEM KOTORYI VY OKAZALI PRI

VSTRECHE NASHEI DELEGACII U NAS OSTALIS SAMYE HOROSHIE

VPECHATLENIIA OT POSESCENIIA SHTATA ALIASKA I GORODA NOMA S

UVAJENIEM

PREDSEDATEL MAGADANSKOGO OBLISPOLKOMA V I KOBEC

COL 281 99762

NNN

0729 EST

Model

U513P1M0A F

A AHG

443-5242

01194

'Friendship Ferry' proposed

10/3/88 TT

NOME — Jim Stimpfle, organizer of the "Friendship Flight" between Nome and Provideniya in the Soviet Far East last summer, is proposing scheduled ferry service between Nome and Provideniya.

Stimpfle, chairman of the Committee for Cooperation, Commerce and Peace of the Nome Chamber of Commerce, said the ferry could serve a number of communities in Alaska and the Soviet Far East.

"We believe this service will have a great benefit to the peoples of the Bering Strait, promoting cultural, educational and commercial opportunities," he said.

Stimpfle is proposing that the ferry run during the ice free months. Frequent visiting among the Eskimo people would restore the unique cultural heritage of the regions, he said.

"The use of this vessel would be dedicated to cooperative efforts of Soviet and U.S. citizens from Alaska

and the Soviet Far East, providing employment and tourism opportunities for the local populations.

Stimpfle is also proposing that during the ice bound months, the vessel would be used by a joint nonprofit foundation of Soviet and Alaskan Eskimo and non-Native performers and students of the region to sail on

a world tour, promoting peace, friendship and goodwill throughout the world.

Participating communities would be Teller, Wales, Little Diomed, Uelen, Lavrentiya, Novo-Chaplino, Sireniki, Gambell and Savoonga, with Nome and Provideniya as hub communities.



Arco reduces oil estimates for Prudhoe

LOS ANGELES — Officials for Arco said recently they now believe that gross crude oil production from the Prudhoe Bay field on the North Slope of Alaska can no longer be sustained at an annual average rate of 1.5 million barrels per day.

However, Arco's share of crude oil and liquids production from all North Slope sources for 1989 will about equal 1988. For 1988, annual average Prudhoe crude oil production is now estimated at 1.45 million barrels per day.

A definitive estimate for 1989 Prudhoe crude oil production cannot be provided; however, Arco believes production will be at or slightly below the 1988 level. The company had previously estimated that Prudhoe Bay crude oil production could be maintained at the 1.5 million barrel level through 1989.

Senate panel extends mammal protection act

WASHINGTON — The Senate Commerce Committee recently approved legislation which extends the Marine Mammal Protection Act while allowing Alaska fishermen to incidentally take marine mammals, according to Sen. Ted Stevens, R-Alaska.

The committee approved legislation also strengthens sanctions the president can take against nations which violate fishery laws and authorizes funds for



Alaska

MEMORANDUM

State of Alaska

TO: The Honorable Steve Cowper
Governor

DATE: June 7, 1988

FILE NO.: 0240I/DGH/gmw

Garrey Peska
THRU: Chief of Staff

TELEPHONE NO.: 465-4700

SUBJECT: THE NIGERIA
ALASKA CONNECTION

FROM: David G. Hoffman *DGH*
Commissioner
Department of Community and
Regional Affairs

Heather F&E file with trip ideas

As you are aware, I was in Nigeria this spring as a member of a World Bank consulting team that was analyzing the economic development policies of Nigeria. I went to Nigeria because the consulting project provided me with a unique opportunity to pursue three goals of direct relevance to my role as commissioner. These goals were:

- A. Review our overall policy direction and our performance in light of the experience of a country which has been dealing with a very similar set of external economic forces.
 - B. Explore the feasibility of exporting Alaskan expertise to Third World countries.
 - C. Begin work to "break into" the network of private foundations which provide generous funding for Third World rural development projects, but not to domestic projects.
- A. GOAL ONE: Review Alaskan Performance in light of Nigerian experience.

The similarities between Nigeria and Alaska were quite striking. Like Alaska, about 80 percent of the government revenues in Nigeria have come from oil tax revenues over the past several years. Both Alaska and Nigeria have ridden the petro-revenue roller coaster and both entities have had loud public debates about capital project spending.

James Fallows speculated on similarities between Alaska and Nigeria in a 1984 article in the Atlantic Monthly called, "Alaska: Nigeria of the North" (copy attached). In this article Fallows speculated that Alaska was repeating Nigerian history in that it was rapidly moving from a period of unprecedented wealth, to foolish spending, to chaos. Wrote Fallows, "Will this [excessive government spending] make Alaska our own little Nigeria desperately broke so soon after it seemed to swim in wealth?" I had read the Fallows article before I went to Nigeria and I was eager to see whether there was any substance to his arguments four years after he had written his article.

In general, my trip to Nigeria made me feel quite proud of how we have dealt with our ride on the oil roller coaster. Some key areas where we responded properly and Nigeria responded improperly include the following:

1. Corruption.

There is a public consensus in Nigeria that government is corrupt. The level of corruption increased dramatically during the oil boom.

The real problem with corruption in Nigeria or anywhere else is that it undermines the public's confidence in government and in community problem-solving generally. It leads to an ethic that promotes selfish solutions to problems rather than community solutions. Nigeria is the most selfish place I have ever been. This selfishness leads to huge inefficiencies in society. People in Nigeria do not form into lines for anything, they form into swarms. They do not demand improvements in the operation of their electric power company, but rather simply buy backup generators. (The capacity of all the backup generators in Lagos is equal to the capacity of the electrical utility.) They allow horrendous government inefficiencies because they believe that maybe somewhere there is an angle in the inefficiencies that will benefit them.

During your administration, executive branch corruption in Alaska has vanished as a topic of discussion. A short two years ago, it was a premier political and social issue in the state. Having been in Nigeria, I think that our state social and political fabric could have been in severe jeopardy today if you had not dealt so decisively with this issue.

2. Mega-projects.

Like Alaska, Nigeria became infatuated with huge capital spending projects during the oil boom. Unlike us, they were not strong enough and prudent enough to scrap their mega-project plans once revenues declined. The construction of a new capitol at Abuja, in the middle of nowhere, is progressing as planned. Billions of dollars are being spent and agencies are, in fact, being moved from Lagos to Abuja. Also, federal investment in a multi-billion dollar steel mill at Ajaokuta, in the middle of nowhere again, is progressing. I felt an overwhelming sense of tragedy as I toured Abuja and Ajaokuta. I felt a real sense of relief and pride that we had scrapped Susitna and Willow and other such projects.

3. Government's Intervention in the Private Sector.

Like Alaska, Nigerians invested a great deal of government money in private business ventures. The biggest challenge to President Babangida's government today, is the privatization of government-owned businesses. There are hundreds of government-owned businesses that have been the recipients of millions and millions of dollars, which own state-of-art facilities and which are totally unprofitable because of government intervention. I felt a real sigh of relief that we only had a few state-owned businesses such as Matanuska Maid and the Palmer sausage company to deal with, rather than hundreds.

In Nigeria I saw a glimpse of a nightmare version of Alaska. Fortunately, we are now moving away from this nightmare rather than towards it, as we were a few years ago.

B. GOAL TWO: Explore the Feasibility of Exporting Alaskan Expertise to the Third World.

Over the past two years we have talked a great deal about increasing trade and information exchange with the rapidly growing industrialized countries of the Pacific Rim. I believe we should also increase our interactions with Third World countries world-wide. Rural Alaska is essentially a Third World country and we have developed solutions to Third World problems that are applicable elsewhere. We have made major achievements in the areas of:

- Rural electricity generation and distribution.
- Medical care delivery.
- Telecommunications.
- Local government assistance.
- Land claims settlement.
- Fishery development.
- Job training programs geared towards rural people.

We are also pushing ahead with government program innovations in areas of great interest to Third World countries. These areas include:

- Decentralization of program delivery.
- Promotion of stronger local government.

- o Promotion of rural private sector development.

I believe that the Department of Community and Regional Affairs specifically, as well as other departments, have developed service delivery mechanisms and programs that could be adapted to the Third World.

One of my primary reasons for going to Nigeria was to take a first step towards the development of a relationship with the Third World. As such, I took 40 briefing packages describing this department and our programs and recent innovations. I distributed those packets to university professors, consultants and government officials. This information was received very eagerly.

Your policy of moving towards self-sufficiency in the rural areas rather than promoting giveaway programs is exactly what Nigeria wants to do. However, Nigeria doesn't know how to implement this philosophy. We are far ahead of Nigeria, and presumably other Third World countries in implementation.

I intend to seek private foundation funding for an exchange program between the Department of Community and Regional Affairs and Nigeria. I have several very senior people in Lagos, including two former federal ministers, who are eager to promote such a program. We could coordinate an exchange of ideas and potentially people through the State Offices of Ohio and Michigan in Lagos. (Governor Celeste of Ohio spent ten days in Nigeria this spring with a trade delegation from his state. I have close contacts with the community affairs agency in Ohio.)

It is clear to me that Nigeria and other Third World countries could benefit from an association with us, but what could we get out of such an association? I think that there are three benefits that Alaska could reap:

1. Economic benefits to Alaskan businesses.
2. Increased vision and innovation in state government.
3. General social benefits to the state.

Following is an elaboration of each of the above benefits:

1. Economic Benefits to Alaskan Businesses:

In 1985 I spent a substantial amount of time with William Norris, the Chairman and founder of Control Data Corporation. Norris recognized that the biggest potential new market for his multi-billion dollar company was the Third World. He believed

that Alaska could be a laboratory for the development of the Third World products and services, and he backed up his belief by investing a \$1 Million a year for three years in Control Data Alaska, Rural Ventures Alaska, and a few other small subsidiaries. Control Data eventually pulled out of Alaska, but I think that Norris's belief was sound. Many Alaskan businesses have developed products and services that could meet the needs of Third World countries.

Nigeria is one of the most promising Third World markets for the type of expertise we have. It has 50 years worth of proven oil reserve, and new reserves being identified every day. It has a hundred million people, many of whom are very highly educated. It is one of the leaders in the Third World, and Nigerian Oil Minister Luckman is President of OPEC. Also it has recently reordered public policy priorities to place a much greater emphasis on rural development.

2. Increased Vision and Innovation in State Government:

Relationship with Third World countries can foster innovative ideas for dealing with rural development issues in Alaska. It is always important to examine precedents in developing solutions to public policy issues. In many areas, Third World rural development precedents will be more relevant than rural development precedents seen in other states.

3. General Social Benefits to the State of Alaska:

I think that an exchange can greatly enrich and strengthen our state culture. I think that many of the cultural and social benefits derived by the U.S. public from the Peace Corps can be derived by Alaska from an exchange with Nigeria. I think that if either state employees or other Alaskan volunteers went to Nigeria to offer their experience it would help us as a state gain a sense of self confidence and create a recognition of what we do well. There has been so much emphasis during the years of economic downturn on our problems and what we are doing poorly. An exchange program would allow us to publicly highlight what we are doing right. For the past year I have been maintaining a list of people who have come up to me and volunteered to do work for free in rural Alaska. I intend to work to set up a volunteerism program whereby urban Alaskans can assist rural Alaskans. I think it would also be possible to expand such a program to one so that Alaskans can assist Nigerians.

C. GOAL THREE: Gain Access to New Funding Sources.

Last fall I began searching for non-state revenue sources which could be tapped in order to support this department's community development activities. Research has indicated that many

The Honorable Steve Cowper
June 7, 1988

Page 6

American foundations pump hundreds of millions of dollars into rural development projects in the Third World, but not a penny into United States rural development projects.

I believe that we can gain "Third World" status in the eyes of these funding sources by submitting an Alaska/Nigeria funding proposal. I hope that once we "have our foot in the door", we can continue to receive funding from these foundations.

SUMMARY:

I feel that I and my department will continue to reap the benefits of the insights and the information gained in Nigeria throughout my tenure as commissioner. Hopefully, the trip will also lead to new sources of funding. The trip also gave me a profound appreciation for those areas in rural Alaska where we have succeeded despite the vast complexities presented by distance, lack of infrastructure, and cultural diversity.

I, of course, would be eager to talk with you more about my trip if your schedule permits.

Attachment

cc w/attachment:

Rosita Worl, Special Staff Assistant
Rebecha Miller, Director
Fairbanks Executive Office
Office of the Governor

Commissioner Tony Smith
Robert Poe, Director
Office of International Trade
Department of Commerce and Economic Development

bcc: Marty K. Rutherford
Acting Deputy Commissioner

ALL DCRA Directors
ALL DCRA Deputy Directors

Michael Cushing
Vicki Moore

State agency is REDI to help

By JENNIFER BRICE
Staff Writer

Buying bulldozers for the Bush used to be state government's palliative for the problem of rural economic development, says the commissioner of the Department of Community and Regional Affairs.

But things have changed since David Hoffman took charge of the state's fifth-largest agency.

Instead of doling out bulldozers for capital projects—which are, by nature, temporary fixes—Hoffman is helping rural entrepreneurs start their own long-term businesses. Through a \$3 million grant program called the Rural Economic Development Initiative, his department offers financial and technical assistance to people with energy and ideas.

"People have to think in terms of being entrepreneurs rather than grant writers," Hoffman said during an interview Wednesday.

The Kaltag Fishermen's Association is one of REDI's success stories. Last season, an unscrupulous fish buyer neglected to pay the fishermen before skipping town with the salmon. REDI stepped in to help the fishermen form a cooperative, hire a lawyer, and seize the fish buyer's assets in the village. This year the cooperative was able to find a more reliable market for its fish.

Through REDI and other, related programs, Hoffman hopes to raise the number of private-sector paychecks issued in the villages to 50 percent. Right now the figure hovers between 20 and 30 percent, depending on the village.

Before ascending to the post of commissioner, Hoffman spent



DAVID HOFFMAN
Development minded

13 years living in rural Alaska. During that time, he commuted across the border between business and government. He worked as a carpenter, anthropologist, community planner, economist, manager of an air service company, director of a non-profit agency and management consultant.

A graduate of Harvard University, Hoffman also served as mayor of Ruby in 1984 and 1985.

Hoffman likens the department of community and regional affairs to a big consulting company. The department's challenge, he says, is to be flexible and responsive to the needs of rural Alaskans.

Although the department has the fifth-largest budget of any state agency—\$160 million—it has a disproportionately small staff. But Hoffman isn't complaining. A small, decentralized staff means fewer administrative layers to penetrate before

putting ideas into action.

One of Hoffman's first actions as commissioner was to start cutting positions in Juneau and adding them to the department's eight regional offices. The Fairbanks office grew by three people.

Workers in the field offices travel from village to village, assessing people's needs and educating them about the department's programs.

Among the programs that fall under the department's rural development division are job training, housing, energy and child care. By lumping these programs together, Hoffman intends to avoid band-aid approach to rural problems.

"We have to try and look with a holistic view," Hoffman said. "There isn't one answer to rural problems. There have got to be customized answers."

The second phase of REDI falls under the same philosophy. By offering rural entrepreneurs low-interest loans after their businesses get off the ground, Hoffman hopes to foster the kind of economic development that will benefit the villages for years to come.

As Hoffman sees it, the Department of Community and Regional Affairs' has a dual mission in rural Alaska. The first is to strengthen local economies, the second to strengthen local governments.

Aiding local governments in becoming more self-sufficient is the goal of the department's Municipal and Regional Assistance Division. Among other things, the division can help with community planning, land management, tax assistance and bookkeeping.

Everyone pays when jobs decline

Alaska appears to be setting a trend in the wrong direction with last week's news that we are one of only two states in the nation to show a drop in per capita income last year.

Our state's 1987 per capita income was \$18,230, according to the



**Fred
Pratt**

U.S. Department of Commerce, a drop of .8 percent over 1986. The only other state to decline was Wyoming, which dropped only .1 percent.

Alaska is now fourth in the nation in per capita income, a standing we led until 1985. The states ahead of us are Connecticut with \$21,266, New Jersey with \$20,352 and Massachusetts with \$19,142.

Incomes in the three states ahead of us all grew by more than 8 percent in 1987. Nationally, the median per capita income last year was \$15,481 and grew by 6 percent over 1986.

The national information ties in well with a study reported by the Alaska Department of Labor last



STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF INTERNATIONAL TRADE

STEVE COWPER, GOVERNOR

7TH FLOOR FRONTIER BUILDING
3601 C STREET, SUITE 798
ANCHORAGE, ALASKA 99503-5934
PHONE: (907) 561-5585

July 5, 1988

Representative Mike Davis
119 N. Cushman, Suite 211
Fairbanks, AK 99701

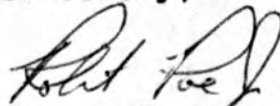
Dear Representative Davis:

I am writing to you regarding an upcoming visit to Alaska by a delegation from the Standing Committee of the Heilongjiang People's Congress. In accordance with Alaska's Special Friendship Relationship with Heilongjiang Province, Governor Cowper has extended an invitation to the delegation to visit Alaska between September 5th and 10th. The purpose of the visit will be to promote cooperation under our special friendship relationship.

As Governor Cowper's coordinator for this delegation's visit, I would like to involve the legislature as much as possible in the planning for this event. This is an excellent opportunity not only to improve our understanding of the representative process in China, but also to clarify what our relationship should be with Heilongjiang in economic, cultural and educational terms.

Please let me know any suggestions that you have for the legislature's involvement in their visit. Thank you in advance for your assistance.

Sincerely,



Robert G. Poe, Jr.
Director

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET DIVISION OF POLICY

July 21, 1988

STEVE COWPER, GOVERNOR

P.O. BOX AD
JUNEAU, ALASKA 99811-0199
PHONE: (907) 465-3568

The Honorable Mike Davis
Representative
Alaska State Legislature
119 N. Cushman
Suite 211
Fairbanks, AK 99701

JUL 25 1988

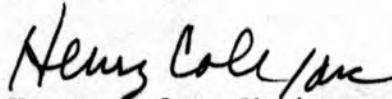
Dear Representative Davis:

Economic development of coastal regions in Alaska is being encouraged through the granting of funds by the National Coastal Resources Research and Development Institute (NCRI). These funds are available through a proposal review process to any private individual, business or organization and will be distributed after the proposal review by the board next spring. The enclosed material describes some of the goals of NCRI and how to apply. This is a useful organization and is attuned to the kinds of problems and solutions that we find in Alaska.

I can be reached at 465-3568 for clarification and I would encourage submission of proposals from your area. The process is straightforward and the deadlines for the current year are 1 September for preproposals and 1 December for final proposals. Write or call NCRI at the address on the proposal announcement for complete information.

Please encourage your local schools, fisheries groups, economic development organizations or private individuals to consider preparing a grant request.

Sincerely,



Henry Cole, Chairman
National Coastal Resources Research
and Development Institute

HC/dmc/89H-193

Enclosure

sample

GENERAL SOLICITATION/CALL FOR PREPROPOSALS
by
NATIONAL COASTAL RESOURCES RESEARCH AND DEVELOPMENT INSTITUTE

The National Coastal Resources Research and Development Institute (NCRI) is now receiving preproposals for Fall 1987 funding of projects to promote environmentally compatible economic diversification and development in the coastal U.S., including the Great Lakes and U.S. Territories. Particular attention will be directed to projects which have a high potential for drawing investment into non-metropolitan areas plagued by higher than normal unemployment and lower than average per capita income. All communities, regional and national organizations, and other private and public entities are eligible to apply for awards.

Each NCRI sponsored project has a specific economic or environmental end-use for its results. The ideal NCRI project should:

1. Be highly applied and innovative to address an immediate coastal economic need or opportunity;
2. Have a measurable effect on the economies of the nation's coastal regions within three to five years;
3. Have the potential for regional or national application of results.

The deadline for submission of preproposals is June 15, 1987. Successful respondents will be asked to submit a proposal by July 15, 1987.

To receive application materials, including a preproposal form, please write to:

National Coastal Resources Research and Development Institute
Mark O. Hatfield Marine Science Center
2030 S. Marine Science Drive
Newport, Oregon 97365
(503) 867-3300



NCRI
National Coastal Resources Research
& Development Institute

PRESS RELEASE
April 21, 1987

SAMPLE
FUNDED
PROPOSALS

The National Coastal Resources Institute Board of Governors met on April 4 and 5, and awarded fourteen (14) contracts, totaling \$519,531, for projects which would promote economic diversification and development in the coastal areas of the nation. The Board also elected a new Chairman and Vice Chairman for a one year term, beginning immediately. They are Dr. Michael McCollum, currently the Assistant Secretary for Resources for the State of California, and Dr. Henry Cole, the Science Advisor to the Governor of the State of Alaska. Outgoing Chairman was Mr. William Q. Wick, Director of the Oregon Sea Grant Program. Dr. McCollum is outgoing Vice Chairman.

The information regarding each contract follows:

EASTERN U.S.

TOPIC: Chesapeake Bay Oyster Aquaculture
INVESTIGATOR: Dr. Eric Schneider, et al
LOCATION: Chesapeake Biological Lab., Solomons, Maryland
AMOUNT: \$50,000.

TOPIC: Demonstrate Commercial Production of Hybrid Striped Bass
INVESTIGATOR: Dr. Ronald G. Hodson
LOCATION: Beaufort county, North Carolina
AMOUNT: \$41,832.

TOPIC: Tilapia Culture in Farm Ponds - Extension Program
INVESTIGATOR: Dr. Roger C. Palm
LOCATION: Belle Baruch Institute, Columbia, South Carolina
AMOUNT: \$10,000.

TOPIC: Organization of a Chesapeake Crescent Common Market
INVESTIGATOR: Mr. Carl H. Marshall, Mr. Phillip R. Grulich
LOCATION: SEMS, Inc., and Virginia Inst. Of Marine Sciences, Norfolk, Va.
AMOUNT: \$60,000.

GULF COAST

TOPIC: Nursery and Grow-out Pond System for Shrimp Culture
INVESTIGATOR: Mr. Harry L. Cook
LOCATION: Wolf Point Shrimp Farm, Port Lavaca, Texas
AMOUNT: \$22,665.

WEST COAST

TOPIC: Feasibility of Commercial Geoduck Clam Aquaculture
INVESTIGATOR: Dr. F. Randolph Shuman
LOCATION: Applied Marine Research, Seattle, Washington
AMOUNT: \$30,580.

TOPIC: Test Growing of Commercial Nori Seaweed in Willapa Bay
INVESTIGATOR: Dr. Peter Erickson, Dr. Richard Neve'
LOCATION: Willapa Bay, Raymond, Washington
AMOUNT: \$51,295

TOPIC: Commercial Red Abalone Culture, in the Pacific Northwest
INVESTIGATOR: Dr. Tim Thompson
LOCATION: Klallam Indian Reservation, Port Gamble, Washington
AMOUNT: \$51,518.

TOPIC: Use of Red Rock Crab as a Soft Shell Crab Product
INVESTIGATOR: Dr. Stephen D. Sulkin
LOCATION: Western Wash. University
AMOUNT: \$9,000.

TOPIC: Coastal Spheres of Economic Influence
INVESTIGATOR: Dr. Richard P. Gale
LOCATION: University of Oregon, Eugene, Oregon
AMOUNT: \$23,274.

TOPIC: Role of Transportation in Northwest Coastal Development
INVESTIGATOR: Dr. Adib Kanafani
LOCATION: University of California at Berkeley
AMOUNT: \$97,420.

TOPIC: Commercial Fishery Radio Broadcast
INVESTIGATOR: Ms. Stephanie Revesz-Thornton
LOCATION: Coastal Fisheries Foundation, Sausalito, California
AMOUNT: \$20,000.

PACIFIC REGION

TOPIC: Alternative Forms of Coastal Tourism
INVESTIGATOR: Dr. Luciano Minerbi
LOCATION: Univ. Of Hi., Honolulu, Hawaii
AMOUNT: \$32,347.

TOPIC: Entrepreneurial Scholarships
INVESTIGATOR: Mr. Robert Comeau
LOCATION: North Shore Career Training Corps., Kahuku, Hawaii
AMOUNT: \$20,000.

U.S. Senator Robert Packwood wrote legislation which led to the creation of the National Coastal Resources Institute in 1984 by the U.S. Congress (PL 94-364). The Institute is mandated to undertake projects which promote coastally compatible economic diversification and development and wise use of coastal natural resources. To do so, it is authorized to fund research, education and demonstration projects in virtually any coastally related discipline. The Institute manages approximately \$1.7 million per year.

For more information on NCRI or any of the projects, please call 503-867-3300.

August 17, 1988

Debbie Akers, Manager
Travel Center Inc.
Dimond Tower
800 E. Dimond Blvd., Ste. 3128
Anchorage, Alaska 99515

Dear Debbie,

Enclosed is the draft proposal of our project. This will give you a better idea of our objectives, needs and goals.

At this point, we are most interested in securing travel arrangements. We are not planning to stay in hotels, but in the private homes of families in each country. Recreation and entertainment will also be coordinated from the contacts we are establishing in each country.

However, I am very interested in any suggestions for accommodations and sightseeing you might have. Perhaps in the major cities, it would be wise to reserve rooms if we arrive very late. I have been recommended a hotel in Sapporo named "Tukyo Hotel".

The proposal is a preliminary draft. Please call if you have any questions. Our fax number is 456-3346.

Thank you for you being so helpful. I will be in touch.

With best wishes,

Heather Bradner
Planner, Community Development Initiatives

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

August 24, 1988

Representative Mike Davis
119 N. Cushman, Suite 211
Fairbanks, Alaska 99701

Dear Representative Davis:

On September 7, the House and Senate Special Committees on International Trade have been invited to meet with the Keidanren, leading businessmen from Japan. Japanese and Korean business leaders are keenly interested in Governor Cowper's proposal to remove barriers to foreign investment by modifying the State's Unitary Corporate Income Tax.

An explanation of that proposal and draft language is attached. As drafted, the bill should promote international trade and help foster Alaska's long-term economic stability. Oil and gas taxpayers are not affected, and the revenue change is expected to be very small.

If you have any questions about the proposal, please give me a call.

Sincerely,

Mary Halloran
MHC

Mary Halloran

cc: Bob Poe
Office of International Trade

Hugh Malone
Commissioner of Revenue

Overview and Summary

**Proposed Legislation to Modify
Unitary Tax Provisions in Alaska Law**

This bill (copy attached) is designed to resolve objections expressed by foreign business interests to Alaska's unitary corporate income tax. The bill disturbs the state's existing taxing arrangements as little as possible consistent with the goal of removing the objectionable unitary provisions. Oil and gas taxpayers are not affected.

The legislation establishes a water's edge taxing regime for an affiliated corporate group, but if and only if the group is headed by a foreign parent corporation. The foreign parent corporation is not required to report, only the subsidiaries doing business in the U.S. Water's edge filing is not extended to foreign corporations that directly do business in Alaska.

The Department of Revenue may still require a worldwide combined (unitary) report from taxpayers who fail to satisfy the domestic disclosure spreadsheet requirements of the Federal Income Tax Assistance Act. The domestic disclosure spreadsheet is designed to ensure consistency among returns filed in different U.S. states. Firms using the water's edge reporting method may be required to satisfy specific requests for information needed to audit their Alaska tax returns.

A small revenue loss is expected if this legislation becomes law. A fiscal note is pending from the Department of Revenue.

DRAFT . 3

DATE: 8/17/98

BOOKPROOFED: _____

APPROVED: _____

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

IN THE _____

_____ BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA
SIXTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to corporate income taxes; and
providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. It is the purpose of this Act to promote foreign
investment in the state.

* Sec. 2. AS 43.20 is amended by adding a new section to read:

Sec. 43.20.073. FOREIGN PARENT CORPORATIONS. (a) A corporation
which is a member of an affiliated group whose common parent is a
corporation incorporated outside the United States shall file a return
using the water's edge combined reporting method. A return under this
section shall include the following corporations if they are a part of
a unitary business:

(1) corporations included or includable in a consolidated
return for federal corporate income tax purposes;

(2) corporations incorporated in or doing business in any
United States possession or territory;

(3) domestic international sales corporations and foreign
sales corporations; and

(4) tax haven corporations.

(b) The department may require a corporation filing under this
section to file a worldwide combined report if:

(1) the corporation or any affiliate fails to comply with
the domestic disclosure spreadsheet filing requirements under the
Federal Income Tax Assistance Act; or

DRAFT

3

DATE: 8/17/88

BOOKPROOFED: _____

APPROVED: _____

(2) the corporation does not provide information requested by the department on the operations of a foreign parent necessary for the department to audit the taxpayers corporation return within a reasonable period of time.

(c) This section does not apply to taxpayers subject to AS 43.20.072 engaged in the production of oil or gas from a lease or property in the state or engaged in the transportation of oil or gas by regulated pipeline in the state.

(d) As used in this section:

(1) An "affiliated group" is a group of two or more corporations, in which 50 percent or more of the voting stock of each member is directly or indirectly owned by a common owner or by common owners, either corporate or non-corporate, or by one or more of the member corporations of the group:

(2) A "tax haven corporation" means a corporation which is incorporated in or does business in a country that does not impose an income tax, or which imposes an income tax at a rate lower than 90 percent of the federal tax rate on the federally defined income tax base, and 50 percent or more of sales, purchases, or payments of income or expenses, exclusive of payments for intangible property, of the corporation are made directly or indirectly to one or more members of a waters' edge group and which conducts no significant economic activity.

* Sec. 3. This Act is retroactive to tax years beginning after December 31, 1988.



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

August 24, 1988

Representative Mike Davis
119 N. Cushman, Suite 211
Fairbanks, Alaska 99701

Dear Representative Davis:

On September 7, the House and Senate Special Committees on International Trade have been invited to meet with the Keidanren, leading businessmen from Japan. Japanese and Korean business leaders are keenly interested in Governor Cowper's proposal to remove barriers to foreign investment by modifying the State's Unitary Corporate Income Tax.

An explanation of that proposal and draft language is attached. As drafted, the bill should promote international trade and help foster Alaska's long-term economic stability. Oil and gas taxpayers are not affected, and the revenue change is expected to be very small.

If you have any questions about the proposal, please give me a call.

Sincerely,

Mary Halloran
MHC

Mary Halloran

cc: Bob Poe
Office of International Trade

Hugh Malone
Commissioner of Revenue

Overview and Summary

**Proposed Legislation to Modify
Unitary Tax Provisions in Alaska Law**

This bill (copy attached) is designed to resolve objections expressed by foreign business interests to Alaska's unitary corporate income tax. The bill disturbs the state's existing taxing arrangements as little as possible consistent with the goal of removing the objectionable unitary provisions. Oil and gas taxpayers are not affected.

The legislation establishes a water's edge taxing regime for an affiliated corporate group, but if and only if the group is headed by a foreign parent corporation. The foreign parent corporation is not required to report, only the subsidiaries doing business in the U.S. Water's edge filing is not extended to foreign corporations that directly do business in Alaska.

The Department of Revenue may still require a worldwide combined (unitary) report from taxpayers who fail to satisfy the domestic disclosure spreadsheet requirements of the Federal Income Tax Assistance Act. The domestic disclosure spreadsheet is designed to ensure consistency among returns filed in different U.S. states. Firms using the water's edge reporting method may be required to satisfy specific requests for information needed to audit their Alaska tax returns.

A small revenue loss is expected if this legislation becomes law. A fiscal note is pending from the Department of Revenue.

DATE: 8/17/88
BOOKPROOFED: _____
APPROVED: _____

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE _____

2 _____ BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to corporate income taxes; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. It is the purpose of this Act to promote foreign
10 investment in the state.

11 * Sec. 2. AS 43.20 is amended by adding a new section to read:

12 Sec. 43.20.073. FOREIGN PARENT CORPORATIONS. (a) A corporation
13 which is a member of an affiliated group whose common parent is a
14 corporation incorporated outside the United States shall file a return
15 using the water's edge combined reporting method. A return under this
16 section shall include the following corporations if they are a part of
17 a unitary business:

18 (1) corporations included or includable in a consolidated
19 return for federal corporate income tax purposes;

20 (2) corporations incorporated in or doing business in any
21 United States possession or territory;

22 (3) domestic international sales corporations and foreign
23 sales corporations; and

24 (4) tax haven corporations.

25 (b) The department may require a corporation filing under this
26 section to file a worldwide combined report if:

27 (1) the corporation or any affiliate fails to comply with
28 the domestic disclosure spreadsheet filing requirements under the
29 Federal Income Tax Assistance Act; or

DATE: 8/17/88
BOOKPROOFED: _____
APPROVED: _____

1 (2) the corporation does not provide information requested
2 by the department on the operations of a foreign parent necessary for
3 the department to audit the taxpayers corporation return within a
4 reasonable period of time.

5 (c) This section does not apply to taxpayers subject to AS
6 43.20.072 engaged in the production of oil or gas from a lease or
7 property in the state or engaged in the transportation of oil or gas
8 by regulated pipeline in the state.

9 (d) As used in this section:

10 (1) An "affiliated group" is a group of two or more
11 corporations, in which 50 percent or more of the voting stock of each
12 member is directly or indirectly owned by a common owner or by common
13 owners, either corporate or non-corporate, or by one or more of the
14 member corporations of the group:

15 (2) A "tax haven corporation" means a corporation which is
16 incorporated in or does business in a country that does not impose an
17 income tax, or which imposes an income tax at a rate lower than 90
18 percent of the federal tax rate on the federally defined income tax
19 base, and 50 percent or more of sales, purchases, or payments of
20 income or expenses, exclusive of payments for intangible property, of
21 the corporation are made directly or indirectly to one or more members
22 of a waters' edge group and which conducts no significant economic
23 activity.

24 * Sec. 3. This Act is retroactive to tax years beginning after
25 December 31, 1988.
26
27
28
29



From the Desk of

John Anthony Smith
Commissioner

Mike -

For your info enclosed is the
material which I discussed with you.

I expect that you have contacted Bob
Wright. I sent him a copy of your
August 24 material

Tony



From the Desk of

John Anthony Smith
Commissioner

B5b -

Rep Mike Davis is working on organizing a series of international forums, not specifically tied to trade. The Gov's proposal would seem to fit perfectly.

I asked Mike Davis to contact you. If he doesn't let me know, I enclose his material which you should follow up on.

Tay

Department of Commerce and Economic Development, P.O. Box D, Juneau, Alaska 99811

ALASKA BAR

A S S O C I A T I O N

July 21, 1988

J. Anthony Smith
Commissioner
Department of Commerce and Economic Development
P.O. Box D
Juneau, AK 99811

Dear Tony:

Per our telephone conversation I am writing to ask for a state economic development grant to fund the Alaska Bar Association's symposium of Northern Lawyers which will take place in June of 1990 in Anchorage. This program will consist of delegations of Soviet, Alaskan and Northern Canadian attorneys who will publicly discuss matters of common interest and experience and make a positive written contribution to knowledge.

The anticipated format will be the discussion of several pre-chosen topics in several programs with a reporter recording the discussion and the results being published. Our activities will be divided into two parts. The first will be a planning session of one day in Juneau in June of 1989 in which the Soviets, Alaskans and Canadians will participate. Final selection of both format and program will be made at that time. The actual conference will last for 3 days in Anchorage the following year.

This will be an expensive operation. We understand that in circumstances such as this the Soviets require that all of their expenses including transportation be paid. We also will be using several consultants. We wish this program to be a first rate exposition of heretofore unknown common experiences that will be useful not only to the participants and lawyers in the North but of great interest to the public in general. The final result will be a published scholarly report.

We have two requests to make of the State. The first is a planning grant of \$25,000 for the 1989 Planning Session. And the second is a \$50,000 grant for the 1990 program.

J. Anthony Smith

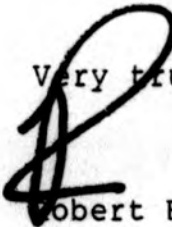
-2-

July 21, 1988

I am enclosing a selection of the correspondence that has been generated to date which will supply additional information. I have spoken to Governor Cowper about this and he is very interested and wants to be a part of it. This letter serves to give you a bare-bones outline of our proposal. I would appreciate your letting me know what the next step should be in our application.

Thank you very much for your assistance. I hope you enjoyed your trip to Japan.

Very truly yours,



Robert H. Wagstaff
Chair
1990 Northern Legal Conference

vu

Enclosure

cc: Board of Governors

ALASKA BAR

A S S O C I A T I O N

July 21, 1988

Dixie Belcher
Office of International Trade
P.O. Box D
Juneau, AK 99811

Dear Dixie:

I am the chairman of a special committee of the Alaska Bar Association which is preparing a Joint Northern Legal Conference in Anchorage in 1990 with Soviet, Alaskan and Canadian lawyers. The purpose of this conference is to share common experiences and knowledge concerning legal matters and the practice of law and the administration of justice in the North. We envision this as not only being useful to the participants and lawyers in Alaska but we wish to make a positive contribution to knowledge as well. The end result of this conference will be a published scholarly document. The members of our committee are Judge Victor Carlson, Judge Thomas Stewart, Jeffrey M. Feldman, Daniel R. Cooper, Jr., Dana Fabe, Ron Miller, Deborah O'Regan and Barbara Armstrong.

We wish very much to employ your assistance in putting this conference together. I am enclosing a copy of various correspondence that we have generated to date which will explain generally the background of our efforts. If you recall we discussed this briefly on our flight to Providenya. As president of the Bar Association I was invited on this flight because of our efforts to put together this conference. Our primary method of contacting Soviet lawyers is through Weyman Lundquist in San Francisco, who is in charge of the American Bar Association Soviet Lawyer Project. We think you could be of considerable help to us through your contacts in the Soviet Union in endorsing this conference and making sure we get full Soviet participation. This is essential to our success. We had a preliminary planning conference in June with Canadian lawyers and they are very excited and committed to the project.

If you feel you are able to help after reviewing this material that I am sending, I would appreciate your giving me a call at my office in Anchorage 277-8611, so we can discuss it further. I will be gone out of state for the next 3 weeks and suggest the last half of August.

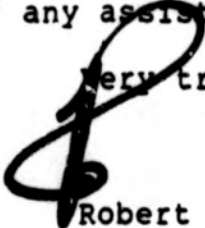
Dixie Belcher

-2-

July 21, 1988

Thank you very much for any assistance you are able to give.

Very truly yours,



Robert H. Wagstaff
Chair
1990 Northern Legal Conference

vu

Enclosures

cc: Board of Governors

P.S. I am enclosing a rough draft of an article I have written on the Providenya trip that will appear in the Alaska Bar Association newspaper. Any comments you have will be appreciated.

ALASKA BAR

ASSOCIATION

July 21, 1988

Weyman I. Lundquist
Heller, Ehrman, White & McAuliffe
333 Bush Street
San Francisco, CA 94104

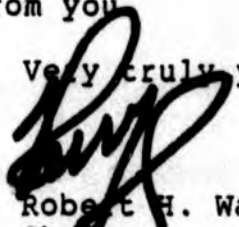
Dear Weyman:

Thank you very much for your continuing correspondence with the Soviet Union. I want to let you know that our schedule is to have a Planning Conference in Alaska between Soviet, Alaskan and Canadian attorneys in June of 1989, probably in Juneau. This will last for one day in conjunction with the Alaska Bar Convention. The actual symposium will take place in Anchorage in early June of 1990. Really, these dates are not very far away. We have heard nothing back from the Soviet Union and at this point, you are our main hope in making contact. Anything you can do or suggest for us to pursue this more actively would be appreciated.

I note from your last correspondence to the Soviet Union that a Soviet delegation is coming to the U.S. in late October or November. I would appreciate your giving me more details on this and whether there is any possibility I could meet some of the participants to explain our program. Thank you very much for your continued assistance in this matter as we greatly appreciate it. We would like very much to have you attend our planning session next year as we will be discussing both program and format and I think that your experience could be of considerable assistance.

Look forward to hearing from you

Very truly yours,



Robert H. Wagstaff
Chair

1990 Northern Legal Conference

vu
cc: Board of Governors

ALASKA BAR

A S S O C I A T I O N

SUMMARY OF THE 1990 NORTHERN LEGAL CONFERENCE PLANNING COMMITTEE JULY 13, 1988

- Note: 1) The next committee meeting is Thursday September 8, 1988 at the Bar office. (Not Sept. 7)
- 2) Letters to Bob with suggested topics due to Bar office August 1

Present:

Robert H. Wagstaff, Chair
Judge Victor Carlson
Jeffrey M. Feldman
Daniel R. Cooper, Jr.
Dana Fabe was out of town

Judge Thomas Stewart
Ron Miller
Deborah O'Regan
Barbara Armstrong

Wagstaff: gave an overview of his trip to Siberia in June. Reviewed the planning session held with the Canadian lawyers. In June 1989, there will be a formal planning meeting in Juneau before the Convention, and delegations from Canada and Siberia will be invited to attend.

The Bar has been in touch with the American Bar Association which had an exchange conference with Soviet lawyers in Dartmouth 2 years ago. Weyman Lundquist, a San Francisco lawyer, chaired the conference and has written two letters to the Soviets to assist us in getting the Soviets to accept our invitation.

The Bar is also in touch with the Governor's office of International Trade. Ginna Brelsford of that office was on her way to Moscow and will convey our invitation as well. Gunner Knapp of the Institute of Social & Economic Research at UAA will also be a consultant to us.

Carlson: Greenland participates in the Northern Justice conference and has the same problems as us, e.g., resource development, governmental, native peoples. About 7 years ago, Judges Carlson, Stewart, Justice Rabinowitz and Art Snowden were invited to a conference concerned with justice delivery in the North. Conferences have been held in Yellowknife, Quebec and Whitehorse, with about 200 people, half being local. The conference is headquartered at Simon Fraser University.

Stewart: thinks this is an opportunity to get the Alaska Court System brought into this conference. He talked with Matthews (who was interested) and will meet with Serdahely. He suggested judicial participation, coordinating efforts and perhaps the court system could get some funding. The court could request a special budget item for 1990.

He suggested several contacts which should be used at the point where they can be brought into play.

- 1) Elvey - retired chief judge of court of appeals in Canada. Vast Soviet experience and was past president of international hockey association.
- 2) John N. Hazand - professor of Soviet Law studies at Columbia University and who graduated from the Moscow Institute of Law.
- 3) Dixie Belcher - coordinate Friendship Flight; knows spokesman for the Soviet ministry.

Stewart suggested a separate judicial conference with identical subject matter, some common programs; planning should proceed parallel.

Suggested asking the governing body of the Northern Justice Conference to list possible topics as a helpful start. Suggests Native, non-native relations, environmental impact and control of drugs and their impact.

Format: Carlson thinks we need primarily group discussions. The Northern Justice Conference has gone to groups of 20 with a facilitator and suggested topics for 1-1/4 hours. Minutes are made from each group. A reporter from each group writes up the results which are highlighted, translated and sent to all participants,.

At the outset have a keynote speaker and outline program and purposes. Have a closing program with reporters reporting summary of their topical group.

Carlson will provide a sample for circulation, with recommendations on structure from the Arden House approach and Simon Fraser University. We could videotape session and edit tapes.

Carlson thinks the overall topic should be the impact of Western Civilization (those of us who moved to the north) on indigenous people. This could be looked at in many ways.

Page 3

Feldman: don't want to have conference just on sovereignty or other topic that only a handful of lawyers are interested in. Want to include topics that are broader in interest.

Miller: will be meeting with State Department people in D.C. within next few weeks and will request assistance for contacts.

O'Regan: Weeks wants us to approach Department of Commerce & Economic Development for grant for seed money (for Soviet travel expenses, translators).

The 9th Circuit is having a large conference in Anchorage June 9-16, 1990.

One day of the June Board meeting in 1989 will be reserved for the planning conference.

The 1990 conference would be June 6-9 (1/2 day reserved for annual bar business meeting). The conference would "be the annual convention." Barbara Armstrong has booked space for those days at the Captain Cook Hotel.

Stewart: have committee members write to Wagstaff with suggested topics listed in priority by August 1.

Wagstaff also wants to contact ARCO for possible grant money.

Next meeting of the committee will be Thursday, September 8 at noon at the Bar office. (Please note the change of date due to the dates of the Board of Governors meeting.)

cc: Board of Governors

vu

Bob

1. Call Tony Smith (C & Econ. Dev.)
2. Write to Dixie Belcher
3. Call Weyman Lundquist
4. Contact president of ARCO after BA contacts general counsel

Deborah

1. Summary of meeting
2. Set up September 8 meeting
3. Distribute Committee letters regarding topics

Barbara

1. Letter to Greenland Bar inviting participation
2. Letter to Margit Nance (Simon Frasier University) regarding topics, format, availability to assist.
3. Check with Egan Center re simultaneous translation facilities

Committee

1. Letters to Bob via Deborah with suggested topics by August 1

ALASKA BAR

A S S O C I A T I O N

SUMMARY OF THE
PRE-PLANNING CONFERENCE FOR THE
1990 NORTHERN LEGAL CONFERENCE
JUNE 8, 1988
HOTEL CAPTAIN COOK, ANCHORAGE

Alaska Bar Association:

Robert H. Wagstaff
Larry R. Weeks
Jeffrey M. Feldman
Elizabeth "Pat" Kennedy
Kenneth P. Eggers
Deborah O'Regan

Michael L. Wolverton
Ralph R. Beistline
Daniel R. Cooper, Jr.
Michael A. Thompson
Ardith Lynch
Barbara Armstrong

Canadians:

Robert Dick - Law Society of British Columbia
Andrew Thompson - Vancouver, British Columbia
Dennis Mitchell - Law Society of British Columbia
Deborah Strachan - Canadian Bar Association
Eloise Spitzer - Canadian Bar Association

Other:

Ron Miller: Fishery Management Council

Wagstaff: gave an overview of the proposed 1990 Northern Legal Conference to take place in Anchorage in June, 1990. Alaskan, Canadian and Soviet lawyers would be invited to participate to address issues of common interest and concern. The goals are to share knowledge, promote collegiality and to produce something publishable.

Mitchell: perhaps the Canadian Bar Association (CBA) should be the body to deal with since they appoint committees to study issues

Dick: whether the CBA or the Law Societies respond depends on the topics

Strachan: Yukon branch of the CBA has been involved in the Northern Justice Conference

Suggested Issues:

- International law of natural resources (e.g., how oil and gas development affect caribou herds)
- land claims issue
- fisheries
- dispute resolution (International Center in Vancouver)
- constitutional development

- comparative litigation techniques
- women lawyers in Bush bar associations
- how justice is delivered (e.g., the jury system; how selected, whether unanimous verdict required; how much control should judge have over litigation process)

Cooper: have competing topics held concurrently with some plenary sessions

Weeks: involve students from Alaska Law Review

Strachan: financing from registration fees and go back to respective bodies for grant

Wagstaff: hit up some companies such as ARCO as sponsors

Weeks: sell it to Department of Commerce and Economic Development and get seed money

Dick: the chief justice in British Columbia is sitting on the largest land claims issue; Attorney General Hughes from British Columbia would be good speaker

Mitchell: Chief Justice of Court of Appeals who retires in September is internationally known

Strachan: have 1 or 2 high profile keynote speakers from each country. Yukon Bar has already set up their committee. They can assist in getting in touch with NW Territories Bar

Need to set a date for proposals for seminars, funding, speakers.

Alaska Bar can make proposals by early October.

Feldman: appoint a committee and delegate each to an area of responsibility

Tentative dates: June 7, 8 and 9, 1990

Wagstaff and Weeks appointed the following Alaska Bar Association committee:

Robert Wagstaff, chair
Jeff Feldman
Dana Fabe
Dan Cooper
Judge Thomas Stewart
Judge Victor Carlson
Ron Miller

RECEIVED

JUL 8 1988

888 UNIVERSITY AVENUE
DALO ALTO, CALIFORNIA 94501-1808
TELESCOPIER (415) 366-0838
TELEPHONE (415) 366-7800

WEYMAN I. LUNDQUIST
A PROFESSIONAL CORPORATION
PARTNER
DIRECT DIAL (415) 778-6000

HELLER, EHRMAN, WHITE & MCAULIFFE
ATTORNEYS

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

333 BUSH STREET • SAN FRANCISCO, CALIFORNIA 94104-2878
CABLE HELPOW • TELEX 184-886 • TELECOPIER (415) 778-6888
TELEPHONE (415) 778-6000

888 THIRD AVENUE
SEATTLE, WASHINGTON 98104-0811
TELESCOPIER (206) 447-0848
TELEPHONE (206) 447-0800

1300 S.W. FIFTH AVENUE
PORTLAND, OREGON 97201-2888
TELESCOPIER (503) 241-0888
TELEPHONE (503) 287-7400

July 6, 1988

Victor P. Yakounine
Head of the Department of
Professional Relations,
Union of Soviet Societies
for Friendship and Cultural
Relations with Foreign Countries
Kalinin Street
Moscow, 103885

Dear Victor:

I am writing to follow-up on the interest of the Alaska Bar Association in its 1990 conference involving Soviet, Alaskan and Canadian lawyers. As you will note from the letter enclosed, the President of the Alaska Bar Association, Bob Wagstaff, has already made some direct contact with the First Secretary of the COMSOMOL Providenia Region.

I hope that the ASL has started to look for suitable Soviet lawyers to participate in this conference. While 1990 is still almost two years away, the Soviet involvement in planning the conference would be helpful.

Please let me and the Alaska Bar have your response as soon as possible. In all event, when the Soviet delegation comes to the U.S. in late October or November, I hope someone in your group will be prepared to discuss the Alaska conference in detail.

Thanks. From all that we see in our local press, you are enjoying exciting times in the Soviet Union.

Best regards,



cc: Vasiliy Vlasihin
Alexander Sukharev
Robert H. Wagstaff



HELLER, EHRMAN, WHITE & MCAULIFFE
ATTORNEYS

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

625 UNIVERSITY AVENUE
PALO ALTO, CALIFORNIA 94301-1908
TELECOPIER (415) 324-0638
TELEPHONE (415) 328-7800

333 BUSH STREET • SAN FRANCISCO, CALIFORNIA 94104-2878
CABLE HELPOW • TELEX 184-888 • TELECOPIER (415) 772-8268
TELEPHONE (415) 772-8000

888 THIRD AVENUE
SEATTLE, WASHINGTON 98104-4011
TELECOPIER (206) 447-0848
TELEPHONE (206) 447-0800

WEYMAN I. LUNDQUIST
A PROFESSIONAL CORPORATION
PARTNER
DIRECT DIAL (415) 772-8280

May 11, 1988

1300 S.W. FIFTH AVENUE
PORTLAND, OREGON 97201-5886
TELECOPIER (503) 241-0860
TELEPHONE (503) 227-7400

Victor P. Yakounine
Head of the Department of
Professional Relations
Union of Soviet Societies for
Friendship & Cultural Relations
with Foreign Countries
Kalinin Street, 14
Moscow, 103885 U.S.S.R.

Dear Victor:

It was good to meet with you in Moscow during early April. I will be contacting you and your colleagues specifically about ABA activities but I wanted to write again about the interest of the Alaska Bar Association in having Soviet lawyers attend a Northern Lawyers Conference. The invitees would include American, Canadian and Soviet lawyers. That Conference is to take place in 1990, probably in Anchorage, Alaska at the Annual Bar Association meeting in June. This year there will be a planning session in Juneau, Alaska. I indicated to the Alaska Bar Association the ASL will not be able to have any Soviet representatives attend the June planning session but hopefully at least for the 1990 program Soviet lawyers can be present.

By copy of this letter to the appropriate interested parties, I am going to suggest that you and the ASL be put on their communication list concerning the program. As soon as you can it would be appropriate for you to designate Soviet lawyers or judges who could attend this conference. Those in Siberia would be geographically closest but for air travel convenience Leningrad or Moscow lawyers may be more accessible. I hope this all works out. It should be a fascinating collegial experience among lawyers facing similar problems in practicing law in colder regions.

Once again warm regards to you and to my friends in
MOSCOW.

Sincerely,

cc: Vasiliy Vlasihin
Alexander Sukharev
Robert H. Wagstaff
Barbara Armstrong

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

- ☐ P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- ☐ 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

August 25, 1988

The Honorable Mike Davis
Alaska House of Representatives
119 North Cushman, Suite 211
Fairbanks, AK 99701

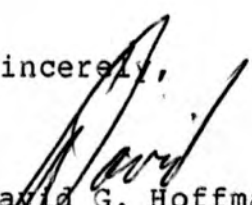
Dear ^{MIKE} Representative Davis:

I enjoyed talking with you last week about your exchange program with China. Enclosed you will find a copy of a memo that outlines the concept of my proposed exchange program with Nigeria.

The people in my department who are working on obtaining foundation funding for our proposed exchange project are Bob Brean, at 465-4890, and Vicki Moore in my office, at 465-4700. I have given them copies of your proposal and they will be in touch with you if they turn up any leads that may be of use to you.

Best wishes on this project.

Sincerely,


David G. Hoffman
Commissioner

Enclosure

MEMORANDUM

State of Alaska

TO: Rep. Mike Davis
Alaska State House
of Representatives

DATE: August 26, 1988

FILE NO.:

THRU: TELEPHONE NO.: 561-5585

FROM: Robert G. Poe, Director^{RGP}
Office of International
Trade

SUBJECT: Request for Meeting
With Japanese
Investment Group

I am requesting all members of the Senate and House International Trade Committees to meet with 21 visiting members of the Japanese Keldanren Investment Mission who are visiting Alaska September 4-9, at the invitation of Governor Cowper. The Keldanren is the most prestigious organization of Japanese businesses in Japan. The investment mission will include some very high ranking Japanese business figures -- I am attaching a list of the visiting delegation members and their positions for your information.

The meeting will be held in the Anchorage LIO Conference Room, Sept. 07, from 1030 to 1145.

One strong area of interest from this group is the revision of Alaska's Worldwide Unitary Tax.

The size of this group and the level of representation from major Japanese industries indicates strong investment interest in Alaska. Because of this, I am urging your attendance at next Wednesday's meeting. Unfortunately, due to Keldanren's busy itinerary, this is the only time they will be able to meet. Thank you in advance for your support of this effort.

Keidanren Investment Mission to the United States of America

(Alaska)

as of August 26, 1988

Leader:

1. Hidoo ISHIIARA Managing Director
The Industrial Bank of Japan, Ltd.

Advisor:

2. Yoshimi MIZUKAMI Chairman of the Board
Hasegawa Komuten Co., Ltd.

Members:

3. Katsuzo FURUDATE Director & General Manager
Taiyo Fishery Co., Ltd.
4. Masahiro YAMADA Deputy General Manager
Business Development Div. I
Chiyoda Corporation
5. Kunio UCHINO General Manager
Business Development Dept.
Building Construction Div.
Kajima Corporation
6. Satoshi OGIIARA Manager, Business Planning Dept.
International Operations
Fujitsu Limited
7. Takehiko SUZUKI General Manager (Planning)
General Planning Dept.
The Tokyo Electric Power Co., Inc.
8. Heiji UEDA General Manager
International Finance
Shimizu Corporation
9. Hiroyuki HOTTA Vice President
Associated Business Administration and
Development
Japan Air Lines Co., Ltd.
10. Mitsuru MISAHA General Manager
International Head Quarter
General Manager
International Investment Services Div.
The Industrial Bank of Japan, Ltd.

11. Yoshihiko SHOYAMA
Manager
Project Dept.
Systems Engineering Div.
Hitachi, Ltd.
12. Shozo MIYAKAWA
General Manager
Energy Group Administration Office
Nissho Iwai Corporation
13. Hirohisa MITSUCHI
Deputy General Manager
Overseas Dept.
Sumitomo Corporation
14. Katsuaki TATOBE
General Manager
International Dept.
Kowa Real Estate Investment Co., Ltd.
15. Hajime MORI
President
Nippon Express Travel USA, Inc.
16. Sadami (Chiris) WADA
Senior Vice President
Sony Corporation of America
17. Makoto SUNAGAWA
Chief Representative
Representative Office in Washington
The Export-Import Bank of Japan
18. Yoshio NAKAMURA
(Coordinator)
Senior Assistant Director
International Economic Affairs Dept.
Kaidanren

Secretariat:

19. Atsushi YAMAKOSHI
Staff Economist
International Economic Affairs Dept.
Kaidanren
20. Yukito NAGATANI
International Travel Div.
Tokyo Air Service Branch
Nippon Express Co., Ltd.

Interpreter:

21. Yaejoong KIM

Kaidanren Investment Mission to the United States of America

(Alaska)

as of August 30, 1988

(final)

Leader:

1. Hideo ISHIHARA

Managing Director
The Industrial Bank of Japan, Ltd.

Members:

2. Yoshimi MIZUKAMI

Chairman of the Board
Hasegawa Komuten Co., Ltd.

Additional

3. Jiro HAYASHI

Director
General Manager, Energy Development Dept.
Idemitsu Kosan Co., Ltd.

4. Katsuzo FURUDATE

Director - Accounting, Finance and
Information & Communication Systems Dept.
Taiyo Fishery Co., Ltd.

5. Kunio UCHINO

General Manager
Business Development Dept.
Building Construction Div.
Kajima Corporation

6. Satoshi OGIHARA

Manager, Business Planning Dept.
International Operations
Fujitsu Limited

7. Takehiko SUZUKI

General Manager (Planning)
General Planning Dept.
The Tokyo Electric Power Co., Inc.

8. Hiroyuki HOTTA

Vice President
Associated Business Administration and
Development
Japan Air Lines Co., Ltd.

9. Mitsuru MISAWA, Ph.D.

General Manager
International Headquarters
General Manager
International Investment Services Div.
The Industrial Bank of Japan, Ltd.

10. Yoshihiko SHOYAMA

Manager
Project Dept.
Systems Engineering Div.
Hitachi, Ltd.

1. Shose MIYAKAWA

General Manager
Energy Group Administration Office
Nissho Iwai Corporation

2. Heiji UEDA

General Manager
International Finance
Shimizu Corporation

Pls note that the name 14. Shinichiro FUKUDA

Deputy General Manager
Business Development Div. I
Chiyoda Corporation

is changed Hirohisa MITSUCHI

Deputy General Manager
Overseas Dept.
Sumitomo Corporation

15. Katsuaki TATOBE

General Manager
International Dept.
Kowa Real Estate Investment Co., Ltd.

16. Hajime MORI

President
Nippon Express Travel USA, Inc.

17. Sadami (Chris) WADA

Senior Vice President
Sony Corporation of America

Additional 18. Yoshimichi OHARA

Executive Vice President
Nippon Steel U.S.A., Inc.

19. Makoto SUNAGAWA

Chief Representative
Representative Office in Washington
The Export-Import Bank of Japan

20. Yeshie NAKAMURA
(Coordinator)

Senior Assistant Director
International Economic Affairs Dept.
Kaidanren

Secretariat:

21. Atsushi YAMAKOSHI

Staff Economist
International Economic Affairs Dept.
Kaidanren

22. Yukito NAGATANI

International Travel Div.
Tokyo Air Service Branch
Nippon Express Co., Ltd.

23. Interpreter:

Yaejoong KIM

Observers:

24. **Shunichi HIRAKI**

**Deputy General Manager
Business Development Dept.
The Industrial Bank of Japan, Ltd.**

25. **Kazutoshi SUGIMOTO**

**Manager
Los Angeles Agency
The Industrial Bank of Japan, Ltd.**

**KEIDANREN PARTY
ALASKA ITINERARY**

September 04, Sunday

1100 Arr ANC JL #416

Transport to Capt. Cook Hotel -- 22 single rooms
have been reserved at \$80.00, 1 suite at \$200.00

Rest at hotel

For Golf Group:

1300 Pick up by bus from hotel

1330 1st tee time -- Municipal Golf Course -- Duane
Heyman with Chamber of Commerce is arranging

September 05, Monday

Fly out fishing trip: \$200.00 Air Fare
\$100.00 Fishing Package

0630 Bus will pick up group at hotel

0800 Dep ANC ERA #4550
0845 Arr Iliamna

2025 Dep Iliamna Markair #4
2120 Arr ANC

September 06, Tuesday

0830 Bus will pick up group at hotel

0900 Japanese style breakfast at the Kumagoro
Restaurant - 533 W. 4th Ave. -- hosted by OIT

Meetings to held in the Legislative Information Office
Conference Room, 3111 C Street, Suite 150:

1100 Meeting with Venture Capital Fund Managers/Draper
Group

Lunch Consul General Suehiro will host at his home in
Huntington Park, 2159 Arlington Dr. No.

1400 DCED Director of Business Development

1630 -
1700 Meeting with Yukon Pacific in the Capt. Cook Hotel
Voyager Room

1830 -
1930 Reception to be hosted by the Anchorage Chamber of
Commerce and Alaska Kai at the Capt. Cook Hotel
Aft Deck

1930 Dinner to be hosted by Alaska Kai at the Capt.
Cook Hotel Adventure Room

September 07, Wednesday

0900 Bus will pick up group at the hotel

Meetings to be held at the Legislative Information
Conference room at 3111 C Street, Suite 150

0930 Meeting with Anchorage Mayor Tom Fink

1030 Meeting with House and Senate International Trade
Committee members

1200-
1330 Lunch w/ Governor Cowper to be hosted by OIT at
the Daruma Restaurant, 550 W. Tudor Rd.

1330 -
1430 Meeting with Roger Benedict of the Alaska Seafood
Center

1600 -
1600 Possible meeting with Governor/Press conference

Return to hotel to pack for Juneau/Sitka

1730 Dinner at the Tempura Kitchen Restaurant, 3826
Spenard Rd. enroute to the airport to be hosted by
OIT

1950 Dep ANC AS #70
2120 Arr JNU

September 08, Thursday

23 rooms have been reserved at the Juneau Westmark -- this
hotel does not have suite accommodations -- single rooms at
government rate are \$59.00.

Connie Stewart of our Juneau office will meet and escort the
group -- transportation has been arranged through Grayline
Alaska bus service.

0800-
1030

Unitary Tax Meeting w/ CMB Div of Policy &
Governor's conference room in the Capitol

1045 -
1145

Meeting with Commissioner Brady, same location

1215

Charter flight to Sitka *

* 3 nine passenger planes have been reserved at the
\$825 each. 45 min to 1 hr flying time to SIT

In Sitka Mr. Tsunoda of Alaska Pulp Co. will meet the group
and provide transportation to the mill -- they will have a
lunch hosted by Alaska Pulp at the plant dining room then
tour the facility. Ben Grussendorf, speaker of the House
will join the group for lunch. After the pulp mill tour,
time before the return flight will be spent sightseeing.

1730 Dep SIT AS #67
2005 Arr ANC

September 09, Friday

0800 Bus will pick group up at hotel

0930 Dep ANC HA #027
1330 Arr Hawaii



STATE OF ALASKA

HOUSE OF REPRESENTATIVES

Box V, Juneau, Alaska 99811

(907) 465-2487 • 465-2498

REPRESENTATIVE CLIFF DAVIDSON

District 27

Box 746, Kodiak, Alaska 99615

September 1, 1988

Representative Mike Davis
119 Cushman, Suite 211
Fairbanks, Alaska 99701

Dear Mike,

As the Chairman of the Special Committee on International and Domestic Trade, I would like to invite you to attend a meeting with the Japanese Keidanren Investment Mission. The gathering will be held at the Anchorage Legislative Information Office from 10:30 a.m. to 11:45 a.m., September 7, 1988.

This group of prominent Japanese businessmen is visiting Alaska at the request of the Governor and are especially interested in the Governor's proposal to remove barriers to foreign investment by modifying the State's Unitary Corporate Income Tax. I have enclosed background information on Alaska's Unitary Tax (prepared by Ben Harding of the Governor's International Trade Office) and the proposed legislation to be introduced by the Governor during the first session of the 16th Legislature. Also included is a list of the visiting dignitaries for your perusal.

Please contact Stephanie Love in my Kodiak office at 486-8250 as soon as possible if you will be able to attend so we may arrange for travel authorization.

With best regards,

Cordially,

A handwritten signature in cursive script, appearing to read "Cliff".

Representative Cliff Davidson

CD/sll

Enclosures

GOVERNOR'S OFFICE OF INTERNATIONAL TRADE
3601 C STREET, STE. 798
ANCHORAGE, AK 99503
Phone: (907) 561-5585
Fax: (907) 561-4577

To: Mr. Davis

From: K S Kim

Number of Pages including Cover: 2

Date: 9/6/88

.....
As your request, we are sending the information
regarding Soviet delegation's itinerary.