

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
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Japan continued

- ____ 12. "Agricultural Calendar and Festivals in Japan" - article, FOCUS magazine, Winter, 1984.
- ____ 13. Book Review of Sadaharu Oh: A Zen Way of Baseball. - article, FOCUS magazine, Winter, 1985.
- ____ 14. "Two Japanese Stories": "The Silverberry Thief" by Yasunari Kawabata; "The Lady Who Entertained" by Osamu Dazai. Lesson plans for High School students from Literary Cavalcade, April, 1987.
- ____ 15. "Tokyo." - article, National Geographic, November, 1986.
- ____ 16. "Guide to Recommended Curriculum and Audio-Visual Materials for Teaching about Japan." - article and bibliography, The Midwest Program for Teaching about Japan, Indiana University, Fall, 1986.
- ____ 17. "Gradgrind's Heirs." - article on Japanese Secondary Schools, Atlantic Monthly, March, 1987.
- ____ 18. The Collective Imagination: teaching about Japan through cross-cultural investigations of popular arts. - article and annotated bibliography on popular culture in Japan, MARJIS Program, University of Maryland, 1986.
- ____ 19. "They get by with a lot of help from their *kyoiku* *mamas*." - article on pre-elementary education in Japan, National Geographic, February, 1987.
- ____ 20. "Schooling in Japan: The Paradox in the Pattern." - article, Education Week, Winter, 1986.
- ____ 21. "Notes on Japan from an American Schoolteacher." - article, Education Abroad, Phi Delta Kappan, January, 1987.
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- ____ 31. "Who's in Charge?" - Classroom lesson plan on China, FOCUS magazine, Winter, 1985.
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- ____ 33. "Mao Zedong: A Modern Chinese Leader. The Early Years" - article, FOCUS magazine, Fall, 1984.
- ____ 34. Book Review of China: The Urban Dwellers. - article, FOCUS magazine, Winter, 1984.
- ____ 35. Book Review of Chinese Civilization and Society: A Source Book - article, FOCUS magazine, Winter, 1984.
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- ____ 37. "Using Books in the Classroom" - article on how to use The Adventures of Wu. The Life Cycle of a Peking Man, FOCUS magazine, Winter, 1984.
- ____ 38. Book Review of Son of Revolution - article, FOCUS magazine, Winter, 1985.
- ____ 39. Common ground: Alaskans discover Heilongjiang. - article, Heartland, Fairbanks News Miner, March, 1987.
- ____ 40. "Education Reform in China." - article, Education Abroad, Phi Delta Kappan, January, 1987.
- ____ 41. Print-Out of films on China available from State Film Library.
- ____ 42. "Real Life Behind China's Changes" - article, Reason magazine, May, 1987.

Korea

- ____ 43. "Education In Korea" - 1985-86 - publication from Ministry of Korea, June, 1986.

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- ____ 44. "Curriculum Development in Australian Schools" - publication relating to Australian Bicentennial Project, January, 1987.

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- ____ 71. Resources for Teaching about Modern Asian Leaders -- article, FOCUS magazine, Fall, 1984.
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- ____ 77. "The Rising Sun: Cutting Out Asia; Japan's Asian investments are concentrating increasingly on Singapore, South Korea and Taiwan--leaving most of the rest high and dry." - article, South magazine, February, 1987.
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Rising Sun



RISING SUN/NORTHERN STAR

Comparative Roles of Men and Women
in Alaska and Japan

The changing roles of men and women

Rising Sun/Northern Star is an instructional program designed to introduce students to issues related to sex equity and economics in the context of a comparative study of life in Japan and Alaska. As a collaborative effort by the Alaska Department of Education, the Alaska Council on Economic Education and the University of Alaska, Fairbanks, it is a dynamic effort to produce relevant materials for Alaskan schools involved with Pacific Rim studies and with Japanese sister schools. The program consists of two sets of lessons - one for upper elementary school students and one for students in senior high school--and promotes an inter-disciplinary, experiential approach to teaching and learning. Materials for the program include a detailed Teachers' Manual and a large box containing items called for in the lesson plan designs, including videotapes, maps, costumes, Japanese magazines and household items.

Elementary Program

The elementary program consists of twelve (12) lessons and activities that comprise twenty or so hours of class instruction.

- The first four lessons (1-4) give students an overview of life in Japan through pretests, brainstorming activities, poetry readings and other activities.
- Lessons 5-7 focus on specific aspects of Japanese culture such as folktales, family life and the celebration of holidays and how these affect the socialization of boys and girls.
- The last four lessons (9-12) raise sex equity issues such as gender stereotyping, sexism in language, and media representations of male and females.

Secondary Program

The secondary program consists of twenty (20) lessons that comprise 30 to 40 hours of class instruction:

- The first lessons (1-7) provide an overview of Japanese life and culture.
- Lessons 8-13 address gender equity issues such as stereotyping, the portrayal of men and women in literature and changing views of masculinity and femininity.

STATE OF ALASKA

DEPARTMENT OF EDUCATION

EDUCATIONAL PROGRAM SUPPORT

STEVE COWPER, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET
P.O. BOX F
JUNEAU, ALASKA 99811-0500

MEMORANDUM

TO: All Alaska Sister Schools

FROM: Annie Calkins *AC*
Sister Schools Network Coordinator

RE: Second Quarterly Communique, 1987-88

DATE: November 24, 1987



Thanksgiving greetings to each of you. As we all huddle down into winter I hope your ongoing relationship with your sister school provides some highlights during the wintry darkness. As for me I am thankful I have the opportunity to learn more about the cultures and people of the Pacific--I continue to unearth things or writing that delights and surprises me. I hope the same is true for you.

It has been a busy fall. There is much to share with you from schools across the state, the Department, the University, the Governor's Office and the legislative halls:

SALUTATIONS!!

- * The Lord High Mayor of Darwin, Australia recently visited Anchorage (their Sister City) and paid a visit to the Career Center. Richard Kreiger, Vice Principal and world traveler, greeted him with information about the Sister Schools Network and encouraged him to find more Australian schools to be matched.
- * First Lady Michael Cowper did indeed visit two of our Chinese sister schools in Harbin, during her recent visit--those matched with McKinley Alternative Junior High and Auke Bay Kindergarten. She hand carried letters and artwork and returned with similar correspondence for the Alaskan schools. In the process she has become an enthusiastic supporter of our efforts and is looking forward to visiting schools, in Alaska as well as the Pacific Rim.
- * Dr. Ho, the Director of the Taipei Language Institute in Taiwan visited Anchorage and Juneau last month, to further develop possibilities for Mandarin Chinese language instruction. Many Anchorage teachers and administrators were also able to meet Dr. Ho at a luncheon sponsored by the Center for International Business at UAA. In Juneau, Dr. Ho met with DOE administrators along with other agency representatives. The Anchorage School District and Mt. Edgecumbe particularly discussed ways to add Chinese language teachers to their teaching staffs.

MEMORANDUM

Sister Schools

November 24, 1987

Page Two

- * Representative Mike Davis from Fairbanks has been especially helpful and supportive of our efforts this fall. Mike joined Bill Parrett on an 8-day visit to Heilongjiang in September, visiting four sister schools--those matched with North Pole High School, Eek, McKinley Alternative Junior High School, and Auke Bay Kindergarten. Mike also shopped for Chinese items to include in the "Half the Sky" resource kit and was gracious enough to haul the purchases back to Alaska with him. Mike is a well-informed, enthusiastic source of information on China, having traveled there frequently. He would be an excellent visitor to any classroom!! (See the enclosed article)
- * Bill Parrett had a busy, productive trip to both Hokkaido and Heilongjiang in September. Rumor has it he gave a great speech at the All Hokkaido Rural Education Conference. He met with many representatives of our Japanese Sister Schools, who attended the conference. As you will read, in Japan these days there is a tremendous interest in an international emphasis in the schools. They are all the more eager to have ongoing sister schools connections with Alaskan schools.

Bill visited Soldotna Junior High's sister school, Kami Shihoro Junior High, and made a videotape, which he is happy to loan to any of you. He also visited Weller Elementary School's match and met old friends. In addition he spent valuable time at the Northern Regions Center in Sapporo negotiating new schools and discussing "next steps" for our network.

Bill also met and negotiated with Chinese contacts at The Heilongjiang Educational Commission to try and increase the frequency of communication with our Chinese schools.

- * Thanks to Gayle Thiemann, McKinley teacher, and ACSS Board Member who represented the Sister Schools Network at the welcoming ceremonies of Mr. Takayanagi, Principal of Toyozono Elementary School. He visited Weller Elementary in October (see enclosed article) and cemented a wonderful relationship with Weller Principal Mark Shellinger, teachers, parents, and students. As you will read it was a great success. There are now 23 teachers and parents interested in going to visit Toyozono next June.

NEWS!

- * Bev Kruse, Floyd Dryden Junior High teacher from Juneau is in Hokkaido right now and hoped to be able to visit their sister school. Her students prepared a huge package of letters, information about Juneau, books, photographs and gifts for her to hand carry.
- * On November 12 we received applications from an additional 34 Japanese schools on Hokkaido who want to be matched with Alaskan schools!!
- * The Alaska Center for International Business, at UAA, is very interested in the possibility of supporting curriculum development involving Alaskan and Asian teachers. Mike Travis, Bilingual Education Specialist, Bill Parrett and I are discussing a number of ideas with Dr. John Kim, Director of the Center, and Patricia Johnson, the Assistant Director. We are considering a summer institute that would bring teachers together to design some thematic units that would fit into Alaskan schools' curriculum.

MEMORANDUM
Sister Schools
November 24, 1987
Page Three

- * The Rising Sun/Northern Star kits, after many last minute delays due to printing and inventory problems, have been sent off to schools requesting them this fall. Please be patient--it has been difficult getting Department staff to handle the many details of preparing, scheduling and shipping the kits. If you are scheduled to receive one this year I want to urge you to please complete and return the evaluation form. It is vital that we know how the kits are being used and what lessons are most successful.
- * We are still working on getting the Australian school videotape converted to an American VHS system - it had to go to New York City for duplication. We will have it by the first of the year for any of you who may want to borrow/copy it.
- * Special thanks to DOE Social Studies Specialist Marjorie Gorsuch, who put together the lesson plans on Japanese art and culture included in this mailing.
- * The latest on this summer's trip into China, from Bill Parrett! Bill and Zhang Yi Xin will lead a study tour called "China and Alaska - A Comparative Study of Culture and Education." Dates: June 26-July 16. Three graduate credits will be offered. Visits are planned to some of our sister schools in Beijing and Heilongjiang. 20 people will be the maximum, with first preference being given to teachers/administrators who are involved in the Sister Schools Network. A brochure with all the details (like the price) will be out soon, and mailed to each of you in our network.
- * WuJian Huai, who is Zhang Yi Xin's spouse, recently arrived from Anhui Province in the PRC, is ready and available to visit any Alaska school who wants to learn more about Chinese life, culture and language. She can be reached through Bill Parrett's office (474-6187).
- * Jean Stockburger from Russian Mission has great ideas and experience in organizing a "Japan Week" for any school. Read her enclosed article!
- * The NCSS is sponsoring an international conference on Pac Rim Studies in Vancouver this June. A number of ACSS members are enthusiastically signed up to go and urge all of you to consider the possibility. It is promised to be a wonderful experience in an entertaining city. Check the description enclosed.
- * The National Governors' Association report on International Education and Global Perspectives cited our state's Sister Schools Network as an unusual and exemplary program--with the matching of the latest 34 Japanese schools, Alaska will lead the nation in total number of schools participating in sister school partnerships.!
- * Last but not least, Half the Sky, the resource unit on the comparative roles of men and women in China and Alaska is ready to be piloted by Pennell Elementary, Bartlett Elementary, Russian Mission Elementary, and Blatchley Junior High School. After teachers get a chance to field test the lessons and materials, we will complete revisions and make it available to all other Network schools.
- * *Happy Thanksgiving!!*



LOWER YUKON NEWSLETTER

TRADITION

CULTURE

EDUCATION

SISTER SCHOOLS – A Challenging Way to Learn

by Jean Stockburger

The students in second through fifth grade at Russian Mission Elementary School are currently involved in a unique and enriching cultural exchange through the Sister School program. This program, set up by the Alaska Dept. of Education and the Ministry of Education in Japan, promotes cultural understanding and awareness between Alaska and the Pacific Rim Countries.

Our Sister School is the Higashi-Oribe School in the town of Kamishihoro on the northernmost Japanese Island of Hokkaido. The Higashi-Oribe is a first through sixth grade school of 14 students and four teachers. The students speak very little English and must have their letters translated before sending them to Russian Mission. This hasn't dampened the Japanese students' enthusiasm. They have sent oil paintings and brush writings, both of which are a part of their daily curriculum. Last April, a video arrived with personal messages from each student, views of their town and school, a "concert" performed by their percussion band. Russian Mission students responded in like with a video showing typical classroom scenes, Eskimo dancing by students in Yup'ik class, and outdoor scenes of a bonfire.

Kimishihoro has a surprising number of similarities to the



Photo by Mike Stockburger

Ryan Housler shows off the carp kites used to celebrate Boys' Day.



Photo by Mike Stockburger

Benjamin Peteroff models an authentic Japanese Kimono.

Yup'ik culture. Kimishihoro's rich history dates back to the aboriginal Ainu culture, a nomadic people who traveled Hokkaido, living a meager life mainly by hunting and fishing. The Ainu traditions have been preserved and handed down from generation to generation. Their winter festivals reflect a respect for the old ways and incorporates songs and dances much like the Yup'ik potlatches and Yuraq.

The highlight of the Russian Mission Sister Schools activities of the year was the celebration of Japan Week. The week encompassed character brush writing, map studies, learning to count in Japanese, writing haikus and the dramatization of the Japanese folktale "Two Foolish Cats." The week culminated in a Japan Week Assembly where activities were shared. The final activity was a Japanese feast of octopus, seaweed, rice cakes and candy eaten, of course, with chopsticks.

An integral part of our learning about Japan was the use of the kit "Northern Star/Rising Sun." Russian Mission Elementary was a pilot site for this Alaska Department of Education kit which compares and examines the roles of male and female in Alaska and Japan. The kit is now available to school districts in a revised form through Annie Culkins. The kit is a complete learning tool with videos, costumes, dolls, pottery, maps and posters.

The Higashi-Oribe Sister School project will be continued this year. Russian Mission Elementary has also been matched with Sister School, the DaQing Experimental Primary School in Heilong Jiang, China.

The changing roles of men and women

TO RESERVE A KIT FOR A MONTH IN YOUR SCHOOL FILL IN THE ATTACHED REQUEST FORM. PREFERENCE IN SCHEDULING WILL BE GIVEN TO SISTER SCHOOLS.

Rising Sun/Northern Star

Name: _____

School/District: _____

Phone: _____

Month Preferred: 1st choice _____
2nd choice _____

Level Preferred: Elementary _____
Secondary _____

**ALASKAN TEACHER COMMENTS ON
RISING SUN/NORTHERN STAR
RESOURCE KIT**



The changing roles of men and women

These comments were made by nine Alaskan teachers who piloted the kit during the spring of 1987:

"My overall reaction is that this is wonderful! The material is appropriate to different age levels in different sections, but all of it is valuable for student and/or teacher."

"Our on-going correspondence with our sister school in Hokkaido fit in nicely with the kit. We received letters, art work, and a video from our sister school during the course of our involvement with the kit. It meshed nicely."

"Having lived in Japan, I'm always concerned that materials present an accurate picture of the country. The videos in the kit are very beautifully done...."

"I feel a sense of sadness now that I'm finished teaching the unit."

"Each fourth grader kept a notebook, wrote haiku, created network, mapped - the list is endless."

"I loved the kit! On the whole, the lessons I completed were well-planned and excellent! It is an outstanding sample of quality materials."

"The enclosed books and literature were an excellent assortment, explaining various aspects of Japanese life."

"As a Japanese person, I was totally impressed by the materials - there certainly was nothing to offend me!"

"I read all the material in the teachers' manual from cover to cover. Fascinating and useful!"

"What a unit! My kids went nuts over all the neat stuff in the box."

"By comparing the two cultures, sex bias becomes obvious and easy to address and talk about."

"I have been challenged by this kit and feel that my students have learned a lot in many interesting ways."

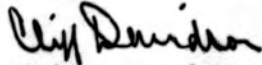
"The material together in one place saves a lot of teacher time."

"In summary, the Rising Sun/Northern Star Kit is valuable curriculum material and well worth the time and effort used to create it."

If you would like to speak with us at the beginning of our meeting, please confirm to telex #45-331 (answer back: ak tourism jnu). The International Trade Committee will meet at 4:00pm on Thursday January 28, Alaska Standard Time. We believe that is 9:00am on January 29, China Standard Time. We will call you at 22-75-10 unless otherwise notified.

We look forward to your reply.

Sincerely,



Rep. Cliff Davidson
Chairman



Rep. Mike Davis
Vice-Chairman

House Special Committee on Foreign and Domestic Trade

SUMMARY OF PACIFIC RIM ACTIVITIES

Alaska Department of Education
January 1988

Education Specialists in the Department of Education direct and support the following efforts:

Social Studies Model Curriculum Guides: A Pacific Rim/Global Education strand has been incorporated throughout the State's Social Studies Model Curriculum Guide. In the elementary guide, outcomes/activities related to Alaska's position on the Pacific Rim are found in four of the seven themes: Culture, Environment, Scarcity, and Interdependence. The 7th grade model, focusing on geography/Alaska geography also includes Pacific Rim references as do the secondary guide's Western Civilization/World History and Economics models. (Marjorie Gorsuch)

Sister Schools Network: The Sister School Program has mushroomed during the past year with 87 Alaska schools matched with Sister Schools in Japan, China, Australia, and Korea. Participating schools have been actively engaged in frequent correspondence, and learning experiences. It is jointly coordinated by the Department of Education and University of Alaska Fairbanks. (Annie Calkins)

Teacher Training/Workshops: The educational implications of Pacific Rim are communicated to teachers and administrators through a variety of presentations at professional meetings, teacher inservices, and statewide conferences.

Distance Delivery: The Department of Education has been working to obtain instructional videotapes relevant to Pacific Rim studies; to date, 20 programs in seven series can be used in Alaskan classrooms. (Lois Stiegemeier)

"Rising Sun/Northern Star: The Changing Roles of Men and Women": These multi-media resource kits compare life in Alaska and Japan. Its specialized emphases are equity and economics, examining the roles of men and women in the work place in the two cultures. The kits were developed with Federal Title IV monies, under Departmental contract, and are loaned through the Department. "Half the Sky", similar multi-media resource kits on the Philippines are in development. (Annie Calkins)

State Museum Exchanges: Plans are underway to exchange Alaska Native cultural artifacts and small exhibits with Japan, Korea, Taiwan, China and Australia. An exchange arrangement has been incorporated into the Friendship Agreement with Hokkaido, Japan.

Teacher Exchanges: Thirty-nine Alaska teachers have taught in Australia in the last ten years under the auspices of the International Teaching Fellowship Program, which arranges for teacher exchange between the two countries. Alaska schools have also hosted ten Japanese teachers as part of the Japanese International Intern Program. Both internship programs are coordinated and promoted by Department staff. (Heather Brown)

Minerals Project: Program materials to incorporate minerals education into units of study on the Pacific Rim are available in conjunction with the Alaska Resources Kit: Minerals Project. Mining industry and Department of Commerce & Economic Development videotapes have been translated into Japanese. The Office of Minerals & Forest Products provides updates on Pacific Rim trade to educators. Department alliances with the Alaska Miners' Association provide a means to directly work with business/industry such as Usibelli Coal Mine, Engelhard Industries and Cominco Alaska, Inc. (Peggy Cowan)

Asian Visitors: The Department of Education has hosted groups of visitors from The People's Republic of China, Taiwan, Australia, and Japan, providing opportunities for exchange of information about educational programs and activities. In collaboration with the University of Alaska Fairbanks and the Fairbanks School District, Mr. Yi Xin is a guest Chinese instructor in Fairbanks this year. He, along with others, is an active resource person on Chinese affairs made available to Alaskan schools.

Alaska Geographic Alliance: The Department has received a grant for geographic education from the National Geographic Society. The ten thousand dollar grant funds a project which includes a regional focus on the Pacific Rim and training of geography teachers. (Marjorie Gorsuch)

Curriculum Collection: Basic bibliographic materials related to Pacific countries are housed in the Department's Curriculum Collection. There is no attempt being made to duplicate the extensive holdings of the Mount Edgecumbe library or State Library, but rather to develop a reference bibliography which is of value for district level personnel. A data base of Pacific Rim resources has been developed in conjunction with Mt. Edgecumbe and is promoted by Department staff at numerous meetings. (Sandra Berry)

Pacific Rim Language Programs: Chinese is being taught at Mt. Edgecumbe High School. Japanese is being taught at the elementary level at Harborview Elementary and Gastineau Elementary in Juneau, at Point Higgins Elementary in Ketchikan, and at Weller Elementary in Fairbanks. At the secondary level Japanese is being taught at Dimond High and West High in Anchorage, at Juneau-Douglas High and at Mt. Edgecumbe High School. (Mike Travis)

Pacific Rim Studies Group: An intradepartmental group meets monthly to discuss specific projects related to Pacific Rim. The group serves as the coordinated communication vehicle addressing K-12 education issues related to the Pacific Rim. Staff from four offices within the Department of Education, the Office of International Trade, Center for International Business and the University of Alaska are represented. The group works on specific projects and has recently completed a "Checklist For Hosting Foreign Visitors."

Technical Assistance Requests: Education Specialists respond to requests for Pacific Rim materials, curriculum resources, and exchange programs. An average of phone calls have been received over the last four months.

Pacific Circle Consortium: Alaska is represented in this international curriculum project which involves New Zealand, Australia, Japan, Fiji, British Columbia, Hawaii, Washington, and Oregon. Currently the group is working on an ecosystem curriculum for intermediate grades (4-6), which all countries could share. (Peggy Cowan)

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POTENTIAL: The Department could include Pacific Rim components in all model curriculum guides.

The Department could mandate the study of Pacific Rim.

The Department could implement the major recommendation of the Chief State School Officers in its position paper on "International Dimension of Education." "Such a system must insure an informed political citizenry awareness of the political, social, and environmental issues of the world; business leadership able to communicate across cultures and within an economically interdependent market place; and public sector leaders in languages, cultures, and economic - social systems who can serve the nation in world affairs."

Educating Americans for
Tomorrow's World
National Governors'
Association July, 1987

The Department could establish relationships with such organizations as the U.S. Chamber of Commerce, Rotary International, and the Overseas Development Council.

The Department could encourage education changes through communication and training opportunities between post-secondary and local school districts.

The Department could develop instructional materials for classroom support.

The Department could provide on-going resource information to leaders at all levels in the school districts.

The Department could develop and implement a grant program to provide incentives for local school districts.

Sister Schools Network: The Sister School Program has mushroomed during the past year with 87 Alaska schools matched with Sister Schools in Japan, China, Australia, and Korea. Participating schools have been actively engaged in frequent correspondence, and learning experiences. It is jointly coordinated by the Department of Education and University of Alaska Fairbanks. (Annie Calkins)

POTENTIAL: The Department could provide more follow-up to the 69 schools that participate in exchanges with their counterparts in Pacific Rim countries. This could include training materials, teacher exchanges, teleconferences, video tapes, resource materials, etc. The personal nature of this program has the greatest potential for long term results.

Teacher Training/Presentations: The educational implications of Pacific Rim are communicated to teachers and administrators through a variety of presentations at professional meetings, teacher inservices, and statewide conferences.

POTENTIAL: The Department could develop a comprehensive training program through summer institutes, audio-conference study groups, leadership academies, etc.

The Department could establish a model teacher training program at Mt. Edgecumbe and resource collection. Various training and components could take place at university campuses or regional centers.

Distance Delivery: The Department of Education has been working to obtain instructional videotapes relevant to Pacific Rim studies; to date, 20 programs in seven series can be used in Alaskan classrooms. (Lois Stiegemeier)

POTENTIAL: The Department could serve as a center for programs related to the Pacific Rim for school districts.

Districts could have access to more programs available through satellite delivery.

The Department could produce instructional packages for Alaska specific subjects and offer the instructional support for delivery.

The Department could use the means of a satellite delivery for staff development and hold conferences and workshops through satellite delivery.

The Department could conduct a series of "Talkback" programs developed around the Pacific Rim such as tourism, forestry, coastal zones, and management.

"Rising Sun/Northern Star: The Changing Roles of Men and Women": These multi-media resource kits compare life in Alaska and Japan. Its specialized emphases are equity and economics, examining the roles of men and women in the work place in the two cultures. The kits were developed with Federal Title IV monies, under Departmental contract, and are loaned through the Department. **"Half the Sky",** similar multi-media resource kits on the Philippines are in development. (Annie Calkins)

POTENTIAL: The Department could increase the number of kits to meet the growing demand.

The Department could develop kits that cover all the countries in the Pacific Rim.

The Department could up-date the materials in the list on a regular basis.

State Museum Exchanges: Plans are underway to exchange Alaska Native cultural artifacts and small exhibits with Japan, Korea, Taiwan, China and Australia. An exchange arrangement has been incorporated into the Friendship Agreement with Hokkaido, Japan.

POTENTIAL: The Department could participate in international museum exchanges with Pacific Rim countries. Invitations from two mainland Asian museums had to be declined because of lack of funding.

Teacher Exchanges: Thirty-nine Alaska teachers have taught in Australia in the last ten years under the auspices of the International Teaching Fellowship Program, which arranges for teacher exchanges between the two countries. Alaska schools have also hosted ten Japanese teachers as part of the Japanese International Intern Program. Both internship programs are coordinated and promoted by Department staff. (Heather Brown)

POTENTIAL: The Department could conduct orientations for teachers coming to Alaska. Currently an orientation is provided by Australia for Alaskans who participate in the teacher exchange program. No reciprocal orientation is done for Australian teachers. It could be developed for all exchange teachers.

Minerals Project: Program materials to incorporate minerals education into units of study on the Pacific Rim are available in conjunction with the Alaska Resources Kit: Minerals Project. Mining industry and Department of Commerce & Economic Development videotapes have been translated into Japanese. The Office of Minerals & Forest Products provides updates on Pacific Rim trade to educators. Department alliances with the Alaska Miners' Association provide a means to directly work with business/industry such as Usibelli Coal Mine, Engelhard Industries and Cominco Alaska, Inc. (Peggy Cowan)

POTENTIAL: The Department could develop Pacific Rim materials to accompany the state's mineral education program. Reproduction and distribution of the materials developed by the other agencies could further support efforts. Pacific Rim training sessions could be provided to teachers using the minerals materials. A computer program on Pacific Rim minerals and resource distribution and trade would support both programs.

Asian Visitors: The Department of Education has hosted groups of visitors from The People's Republic of China, Taiwan, Australia, and Japan, providing opportunities for exchange of information about educational programs and activities. In collaboration with the University of Alaska Fairbanks and the Fairbanks School District, Mr. Yi Xin is a guest Chinese instructor in Fairbanks this year. He, along with others, is an active resource person on Chinese affairs made available to Alaskan schools.

POTENTIAL: The Department could coordinate visits to local school districts.

The Department could establish "Asian experts" to work in the Department on a project basis.

Alaska Geographic Alliance: The Department has received a grant for geographic education from the National Geographic Society. The ten thousand dollar grant funds a project which includes a regional focus on the Pacific Rim and training of geography teachers. (Marjorie Gorsuch)

POTENTIAL: The Department should increase funding to this effort because the National Geographic Society will match state support up to fifty thousand dollars per year for each of three years for Alliance activities. This would increase teacher training opportunities and materials.

Curriculum Collection: Basic bibliographic materials related to Pacific countries are housed in the Department's Curriculum Collection. There is no attempt being made to duplicate the extensive holdings of the Mount Edgecumbe library or State Library, but rather to develop a reference bibliography which is of value for district level personnel. A data base of Pacific Rim resources has been developed in conjunction with Mt. Edgecumbe and is promoted by Department staff at numerous meetings. (Sandra Berry)

POTENTIAL: The Department could disseminate the information on a regular basis to teachers and update and expand the current resource listing.

Pacific Rim Language Programs: Chinese is being taught at Mt. Edgecumbe High School. Japanese is being taught at the elementary level at Harborview Elementary and Gastineau Elementary in Juneau, at Point Higgins Elementary in Ketchikan, and at Weller Elementary in Fairbanks. At the secondary level Japanese is being taught at Dimond High and West High in Anchorage, at Juneau-Douglas High and at Mt. Edgecumbe High School. (Mike Travis)

POTENTIAL:

The Department could mandate the study of an Asian language for at least two years as a graduation requirement by phasing in the study of these languages from K - 8 and then 9 - 12.

The Department of Education could develop a curriculum and resource bibliography for each of the following Asian languages: Chinese, Japanese and Korean.

The Department could establish and coordinate a resource network for Chinese, Japanese and Korean language teachers to include print materials and audioconferences for teachers and students.

The Department could develop and deliver Chinese, Japanese and Korean language program by distance delivery with on-site support.

The Department could develop and deliver teacher training institutes for teachers of Chinese, Japanese and Korean language teachers.

The Department could develop and implement a grant program to school districts for Asian languages.

Pacific Rim Studies Group: An intradepartmental group meets monthly to discuss specific projects related to Pacific Rim. The group serves as the coordinated communication vehicle addressing K-12 education issues related to the Pacific Rim. Staff from four offices within the Department of Education, the Office of International Trade, Center for International Business and the University of Alaska are represented. The group works on specific projects and has recently completed a "Checklist For Hosting Foreign Visitors."

POTENTIAL: The Department could expand the groups to include representatives from other agencies. Resources could be used more effectively and have a greater impact on the children.

Technical Assistance Requests: Education Specialists respond to requests for Pacific Rim materials, curriculum resources, and exchange programs. An average of phone calls have been received over the last four months.

POTENTIAL: The Department could respond more effectively with proper staffing and program funds.

Pacific Circle Consortium: Alaska is represented in this international curriculum project which involves New Zealand, Australia, Japan, Fiji, British Columbia, Hawaii, Washington, and Oregon. Currently the group is working on an ecosystem curriculum for intermediate grades (4-6), which all countries could share. (Peggy Cowan)

POTENTIAL: The Department could take an active role in ensuring that the Pacific Rim tourism, forestry and coastal zone materials currently being developed include a rural, cross-cultural and Alaskan relevant content.

Vocational Education/International Trade: Regional training workshops, grants to develop entrepreneurship in local school districts and coordination with the Resource Development Council are all being implemented. (Linda Van Ballenberghe)

POTENTIAL: The Department could expand the work with the states in Region 10, developing studies in areas such as marketing, international banking, natural resource management, etc., and ties with business and industry.

2610IIE

CHINA AND ALASKA

A COMPARATIVE STUDY OF CULTURE & EDUCATION

The Program

This program is being offered to educators and students interested in investigating the culture and educational system in the People's Republic of China. The rich and diverse cultural medium of this nation provides an extraordinary setting in which to explore a dramatically different educational system. China's public schools remain in session through mid-July and will welcome our visits. Specific attention will focus on schools in China which participate in the Alaska Sister Schools Network.

The course will feature a blend of field visits to schools, universities, cultural and governmental centers, and state and private sector enterprises. Other aspects include a variety of lecture/discussion sessions, basic Mandarin "survival" language instruction, and individual project exploration. A number of Chinese educational authorities will share their first-hand knowledge and experience with the class. Finally, the course will enable participants to have many opportunities to meet, converse and become acquainted with the people of China. All participants will receive orientation materials prior to departure. These include readings on various aspects of Chinese culture, education, language. Additional information concerning climate, clothing needs, currency exchange, passport information and visa application will be provided.

Itinerary

Depart	Anchorage	June 26	(Sunday)
Travel to	Hong Kong	June 27	(Monday)
Travel to	Harbin	June 28	(Tuesday)
Travel to	Beijing	July 4	(Monday)
Travel to	Xi'an	July 8	(Friday)
Travel to	Kunming	July 10	(Sunday)
Travel to	Guilin	July 12	(Tuesday)
Travel to	Guangzhou-Hong Kong	July 15	(Friday)
Course completed	July 16	(Saturday)	

Exact travel dates in PRC may vary due to seasonal changes in airline schedules.

Fees

The program cost is \$3,395. This includes round-trip airfare between Alaska and China; air, bus or train transportation within China; double occupancy accommodations; breakfast, lunch and suppers; course tuition, materials for the three-credit graduate course; and visa application fees. The course fee may be subject to increase due to unexpected changes in the exchange rates or air fares.

Instructors

William Parrett, Ph.D., Associate Professor, University of Alaska Fairbanks, will conduct his fourth study to Asia as the leader of the group. Three associates will assist with the instructional aspects and logistical arrangements of the course. They include Jerry Hartsock, M.S., principal of McKinley Alternative Junior High School, Zhang YiXin, M.Ed., a UAF visiting scholar from PRC, Donna Gao, a UAF student from Beijing.

Passport & Visa Information

Program participants will be required to have both a passport and a visa to travel in China. Passport applications will be provided upon request. **YOUR CURRENT PASSPORT AND COMPLETED CHINESE VISA APPLICATION MUST BE RECEIVED BY WILLIAM PARRETT NO LATER THAN APRIL 15, 1988.**

Registration

Advance registration is required as course enrollment is limited to 25 students. Reserve your place by returning the attached registration form, with the required deposit, to China Study Tour 1988, Department of Education, University of Alaska Fairbanks. Confirmation will be sent within 10 days of receipt of your registration. **THE REGISTRATION DEADLINE IS APRIL 15, 1988.**

A deposit of \$1,200 (\$200 of which is non-refundable) must be included with your registration. A second installment of \$2,195 is due on May 1, 1988.

Cancellation prior to May 15th will receive deposit less the \$200 administrative fee. Cancellation after May 15th will result in forfeiture of deposit (\$1,200) unless a replacement with current visa fills the vacated slot.



CHINA AND ALASKA
A Graduate Study Tour 1988
A COMPARATIVE STUDY OF CULTURE & EDUCATION
University of Alaska Fairbanks



Registration Form

China & Alaska: A Comparative Study of Culture and Education
China Study Tour 1988

Complete and return this form to:

Dr. William H. Parrett
Department of Education
University of Alaska
Fairbanks, AK 99775-0600

NAME: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

HOME TELEPHONE: _____ DAY TELEPHONE: _____

CITIZENSHIP: U.S. _____ FOREIGN _____

Do you have a current passport? _____

Do you wish to have passport applications mailed to you? _____

Please make checks payable to the **China Study Tour 1988**. This form may be duplicated for additional registrations.

ALL EXPENSES INCURRED FOR THIS TOUR ARE TAX DEDUCTIBLE IN ACCORDANCE WITH APPLICABLE IRS REGULATIONS.

The University of Alaska provides equal educational opportunities regardless of race, color, religion, national origin, sex, age, disability, or veteran status.

I have enclosed a deposit of \$1,200, \$200 of which is non-refundable should I cancel my registration. I understand the balance of \$2,195 is due May 1, 1988.

Signature _____

For additional information, please contact:

William Parrett Days 474-7184, Evenings 479-4010

Jerry Hartsock Days 456-3717, Evenings 457-5563

SCOMM

65:3



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

TO: House Special Committee on International
and Domestic Trade Members

FROM: Rep. Cliff Davidson, *MD* Chairman

DATE: February 17, 1988

RE: Meeting Announcement

The House Special Committee on Foreign and Domestic Trade will meet Thursday, February 25, 4:30 p. m., in room 17 of the Capitol building.

Ginna Brelsford and Nick Coti of the Governor's Office of International Trade will join us to discuss pertinent legislation concerning International Trade and will give us an update on the activities of the Office of International Trade.

SCOMM

65:4



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

TO: Irene Cashen, Chief Clerk

FROM: Rep. Davidson *Cliff*

DATE: March 8, 1988

RE: Meeting Notice

There will be a brief meeting of the House Special Committee on International Trade Thursday, March 10, from 12:45 to 1:30 p.m. in Room 124.

Mr. Hayashi, who runs the Governor's Office of International Trade in Tokyo, and Mr. Yang, who runs the Governor's Office of International Trade in Seoul, will be our guests. This is an opportunity to find out about Alaska's activities across the Pacific.

ALASKA INTERNATIONAL TRADE DIGEST



Vol. 1 No. 1

Governor's Office of International Trade

April, 1988

Steve Cowper, Governor

Ben Harding, Acting Director

Bering Sea Fisheries Venture Opens Soviet Trade Door

The American Bering Sea Crab Fleet recently got the green light to proceed with negotiations between the U.S. and the USSR to allow American crabbers access to Soviet fishing grounds.

A group of U.S. fisheries industry and government officials -- some of them are Alaskans -- recently returned from a meeting in Khabarovsk Territory in the Soviet Far East where they gained agreement on a protocol -- or framework for negotiations -- for increased U.S.-USSR ventures. The success of the fisheries protocol has far reaching implications for increased economic ties between Alaska and Siberia.

"If we're successful in getting this opening in fisheries, it will open the door to a lot of other business relationships for Alaska," says Larry Cotter of Juneau, one of the 13-member U.S. delegation who met with Soviet fisheries officials in Khabarovsk last March 14-18.

Soviet officials at the meeting expressed interest in buying surplus Alaska salmon from Norton Sound as well as Alaska hatchery and salmon-rearing expertise for mariculture and salmon-enhancement projects.

The Soviets also expressed great interest in modular housing for remote areas, something in which Alaskans have expertise.

The Khabarovsk Meeting

The U.S. delegation in Khabarovsk worked out the protocol with 39 senior Soviet fisheries officials, led by T. Luzikov, deputy director of Dalryba, the national fisheries organization. The agreement will lead to follow-up meetings on specific fisheries ventures.

In the U.S. group were representatives of the Alaska Crab Coalition, representing the crab fleet, Alaska joint venture operators, fish processors, Alaska Fish and Game Commissioner Don Collinsworth, Chair of the North Pacific Fisheries Management Council Jim Campbell, and Unalaska Mayor Paul Fuhs.

The agreement eventually could bring the opening of Soviet-controlled Bering Sea waters to U.S. fishermen, processing of the product by the Soviets, and exchanges of advanced fishing and processing technology. Sales of surplus salmon from Norton Sound could be important to coastal villages in that area concerned over the loss of preferential purchasing arrangements from the Japanese because Japanese fleets no longer have allocations of fish from U.S. waters.

Alaskans who were in Khabarovsk caution against high expectations, however: "This thing is by no means put together yet," says Larry Cotter of Juneau, who represented the crab fleet.

(continued on page 3)

New Foreign Investment: Coal and Tourism

Two major new projects involving Japanese investment in Alaska, developed initially with Alaska's Office of International Trade, are now moving into the advanced planning and development stages.

One project involves development of the Wishbone Hill bituminous coal mine in the Matanuska Valley north of Anchorage, being developed by Idemitsu Kosan Co., a major Japanese energy company, in partnership with Union Pacific Resources.

The second is Mitsui Corp.'s plan for a recreational ski development in Hatcher Pass, also in the Matanuska Valley. Mitsui, a large Japanese trading company, was awarded a 55-year lease on 11,500 acres of state lands in late March. The company committed itself to development of a recreational ski area, and ultimately hopes to build a \$150 million international ski resort at the site.

Idemitsu and Union Pacific are now in the permitting stage for Wishbone Hill, with an aim to begin mine construction in 1990 and production in 1991. The mine is being planned for production of one millions tons a year of bituminous coal, which is of better quality than the sub-bituminous coal now being produced and exported from the Usibelli Mine in Interior Alaska. This single project will increase Alaska's coal exports by two and a half times. 185 workers will be employed in mine construction and about half that number in operations.

(continued on page 7)

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Alaska International Trade Digest

is a publication of the Governor's Office of International Trade.

Alaska International Trade Digest provides businesses, government officials, and foreign interests with information on Alaska markets, foreign markets, trade leads, country profile information and office activities. This publication is paid for by the Office of International Trade.

Ginna Brelsford, Editor

Vol.1 No. 1 April 1988

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International Trade Office: What It Does

Alaska's International Trade Office (OIT) promotes development of trade with foreign nations, particularly Japan, South Korea, Taiwan and the Peoples' Republic of China. The State of Alaska has maintained an office in Tokyo since 1964, and was the first U.S. state to have a Japan office. There are now 34 U.S. state offices. The Seoul office was opened in 1986, also the first for a U.S. state. Eleven states now have Korean offices.

The Tokyo office, headed by Kazunaga Hayashi, has a staff of three. The office in Seoul, headed by Kyung Sun Yang, has a staff of two.

OIT is headquartered in Anchorage with Ben Harding serving as acting director. The Anchorage office has four "trade advocates" and two secretaries. Staff members in Anchorage are: Ginna Brelsford, specializing in U.S.-East Asia relations, international marketing and Soviet affairs; Mary Fleming, specializing in trade lead promotion; Martha Fox, legal adviser; Steve Roberts, foreign office operations; Katelyn Carrigan, support staff and protocol officer; and Sue Kinney, executive secretary. There is also a Juneau office with two trade advocates: Nick Coti, specializing in China and Taiwan, and Connie Stewart, protocol officer and trade lead assistant.

Activities of OIT are part of the state's overall economic development program, aimed at diversifying the economy and increasing employment. OIT provides assistance or information to Alaska companies seeking overseas sales, foreign firms looking to buy Alaska goods, or overseas companies interested in investing in Alaska.

A protocol office was recently established to help business people better prepare for trade relations and negotiations. The office also develops and provides foreign translation for promotional videos and publications and manages trade missions.



Demand from Alaskans for export assistance quadrupled during 1987. OIT was involved in more than \$750,000 in signed contracts with Alaska firms doing business in Japan, South Korea and the Peoples Republic of China. The office is still involved in almost \$5 million in pending contracts in such areas as scrap iron, bottled water, glacier ice, timber and manufactured items.

There were 2,693 requests for information from Alaskan or foreign businessmen during 1987; 475 specific requests for assistance from Japanese or Korean buyers and 480 requests for assistance from Alaskans seeking to sell products. The office assisted 29 trade delegations during the year.



There are four other entities are involved in overseas marketing efforts, which coordinate with the Office of International Trade: The University of Alaska's Center for International Business in Anchorage does applied research on Alaska export trade potential and conducts export seminars.

The Alaska Industrial Development and Export Authority in Anchorage manages U.S. Export-Import Bank programs available to finance Alaska export ventures.

The Alaska International Airport System is engaged in long-range marketing efforts for Alaska's international airports in Anchorage and Fairbanks; a major part of these efforts are aimed overseas. The airport program hopes to offset the decline in international carrier refueling stops here, boosting Alaska as an air cargo transfer point, and encourage foreign tourism.

The Juneau-based Alaska Seafood Marketing Institute promotes Alaska seafood in Japan and Europe, with federal export assistance funds.

The U.S. Department of Commerce - Anchorage maintains an extensive public library, will assist with specific export projects, runs workshops on export procedures, and makes information from commercial attaches in U.S. embassies and consulates abroad available to Alaskans. (For more information on U.S. Department of Commerce, contact Dick Lenahan at 271-5041.)



Bering Sea Fisheries (cont. from pg 1)

Former State Senator Clem Tillion, who represented an Alaska-based joint-venture operator, also was cautious: Soviet General Secretary Gorbachev has given new autonomy to domestic economic organizations and has instructed them to go out and make their own foreign deals, but middle and lower-level officials aren't yet convinced Gorbachev's reforms are going to hold, and may be reluctant to "stick their necks out" in making deals.

"There could be a lot of difficulty putting these things together. We're dealing with people who don't understand what a profit is, the second generation for whom the government has bought everything and supplied everything. In trying to set up joint ventures, they'll want 51%. But we don't want to give up more than 50%, because we've got to assure our profit."

Still, Tillion thinks things eventually will come together: "They watch the

"If we're successful in getting this opening in fisheries, it will open the door to a lot of other business relationships for Alaska." Larry Cotter

Japanese fleet bring in four or five times their own catch from their own waters and they want to know why."

The Deal — Access and Competition

What the American crab fleet wants is access to the rich potential catch of king and tanner crab in Soviet waters of the Bering Sea, particularly in deeper waters beyond the capabilities of the Soviet crab fleet. Joint-venture fishing operators, with several ships based in Alaska, want access to new bottomfish supply. They are being pushed out of U.S.-controlled North Pacific and Bering Sea waters as U.S. processors take a larger share of bottomfish quotas.

What the Soviets want is new competition for the Japanese, with whom they've had Bering Sea fisheries agreements for some time, and access to advanced U.S. fishing techniques, particularly deep-sea crabbing and processing technology. Also, the Soviets see "reciprocity" in Bering Sea fishing as helping them gain access to increased hake and mackerel allocations within U.S. waters along the east and west coasts.

Mariculture - fish farming - was another priority for the Soviets, Unalaska Mayor Paul Fuhs said. Alaska has advanced knowledge of Pacific salmon hatchery techniques because of the success of state-operated and private nonprofit hatchery programs. While these are aimed at enhancing wild populations, the technology, and such knowledge as disease-control, also lends itself to salmon farming, he said.

A Year and a Half in Negotiations

The Soviet protocol took one and a half years to negotiate. The crab fleet - organized as the Alaska Crab Coalition - took the initiative in mid-1986 to get Soviet waters opened because they saw the potential for untapped fisheries resources. The U.S. Magnuson Act, which provides a framework for foreign fleets to gain fishing rights in U.S.-controlled waters, has a reciprocity clause. A foreign nation fishing in U.S. waters must grant reciprocal rights to U.S. fishermen, if they are asked. But no one had asked the Soviets for reciprocal rights before the crab fleet's initiative.

After a series of negotiations, many involving efforts by the State Department to get diverse U.S. fishing interests together, a high-ranking Soviet fisheries delegation visited Seattle in mid-1987. That meeting was crucial, says the Crab Coalition's Cotter, because the Soviets could see U.S. high-tech fishing at first hand.

Each U.S. fisheries group represented on the trip - the crab fleet, bottomfish and joint-venture operators - will hold its own follow-up meetings with Soviet fisheries officials to hammer out specific deals. Cotter is hoping for a meeting in May for the crab fleet, and an agreement that would get some U.S. boats into Soviet Bering Sea waters late this year.

Export



Financing

Two years ago, the Alaska Legislature expanded the role of the Alaska Industrial Development Authority, directing it to assist Alaska exports by acting as a coordinator for U.S. Export-Import Bank loans for Alaska firms, and helping with long-range economic development financing.

AIDEA - with "Export" added to its name - offers three export financing programs through the U.S. Export-Import Bank. Most are implemented through commercial banks, with AIDEA and the Export-Import Bank providing loan guarantees.

One program is for Working Capital Guarantees, short-term loans of from one to 12 months for firms with export orders who are unable for one reason or another to obtain lines of credit from local commercial banks. That situation could result if the export order is large, beyond the size of transaction a bank can accommodate, or if the bank has not previously dealt in export markets, if the bank will not accept foreign receivables as collateral, or if the bank has reached its legal lending limit for a customer. ExIm Bank provides the guarantee of 90% of the loan, coordinated through AIDEA.

Secondly, there is a medium and long-term guarantee program, which encourages U.S. banks to lend to foreign buyers. ExIm Bank protects the U.S. bank from default for political or commercial reasons.

A third program is for medium and long-term direct loans. This is for foreign buyers of U.S. goods, and it enables U.S. firms to compete against often-subsidized firms elsewhere. Financing can either be direct loans to a foreign buyer or an intermediary loan to banks or U.S. companies, who in turn will extend loans to foreign buyers. The loan cannot be more than 85% of the export value.

For information about export financing, call AIDEA (274-1651), or OIT (561-5585).



Alaska-Siberia Trade Potential



What can Alaska sell to the Soviets? In most ways, Alaska's close neighbor across the Bering Sea is a competitor in Pacific markets, particularly in timber products.

But an analysis prepared for the Alaska Office of International Trade by ISER and a University of Washington Far East expert points up several areas where the U.S.S.R. can also be a customer.

The region is much like Alaska, big and sparsely-populated, rich in natural resources, but short in infrastructure.

The Soviets are putting new stress on improving severe bottlenecks in industrial and transportation infrastructure in the region. There is also new emphasis on the "economy of the ocean," mining of deep-sea minerals, fish farming and more advanced fisheries development.

There has been massive investment in a Far East fishing fleet, but a severe lack of shore facilities - processing, warehouse, transportation and housing - causes much of this fishing capacity to stand idle.

There is also great interest in advanced construction technology, particularly prefabrication and modular units. Labor shortages are severe in the Soviet Far East, and development of labor-saving construction technologies are a priority.

In the short-term, fishing joint ventures and tourism are areas in which the Soviets see real gains in economic cooperation across the Bering Sea. Tourism is seen as a way to gain foreign currency. Air and cruise ship companies are looking at a Nome-Provideniya, Siberia tour. Fisheries joint ventures are seen as ways to gain access to advanced U.S. fishing technology.

Alaska's Export Trade Significant Gains in 1986 - '87

By Tim Bradner

"If you can sell glacier ice and beer from Alaska in Japan, you can sell anything there." This from a close observer of Alaska's overseas trade.

The caveat, of course, is that Alaskans can be successful if they do their business planning properly and if they team up with the right marketing connections in Japan. Wetco Alaska, an Anchorage firm now selling glacier ice as a novelty item, and Juneau's Chinook Beer, have done that successfully.

There's no doubt: Alaska's export trade to the Far East is booming, a bright spot in the state's recessed economy. Exports are up 25% in the past two years, 17% in 1987 alone. Export expansion is being driven mainly by the high value of the Japanese yen and rising values of the Korean won and New Taiwan dollar. As those currencies appreciate against the U.S. dollar, American goods are cheaper.

But other factors are also at work: There's a more competitive business environment in Alaska, as costs decline from boom years of the early 1980s, when the state's economy was fired by massive spending of state oil revenues. Also, there's new aggressiveness among Alaskan firms like Wetco and Chinook Breweries, reaching out to new customers and markets in the Pacific rim.

"Alaska businesses who until a year ago never considered marketing their services outside the state's borders have become accomplished exporters. Asian importers who in the past never considered Alaska a viable supplier," are now very interested in the state, says Dan Dixon, who headed the state's International Trade Office until February.

The picture is not all rosy, though. New long-range passenger jet aircraft make it more economic for some air carriers to bypass Alaska as a refueling stop; that could impair efforts to market fresh fish and encourage foreign tourism. Also, fresh Norwegian pen-raised salmon are formidable new competition to fresh-frozen Alaska salmon in Japanese markets.

Those Stronger Asian Currencies

The currency situation isn't likely to change soon. That's the assessment of the heads of Alaska's two overseas offices. Kaz Hayashi from Tokyo and Kyung Sun Yang from Seoul were in Alaska recently for meetings with government leaders and Alaska businessmen.

Mr. Hayashi, from Tokyo, sees no major change soon in the dollar/yen ratio, or in improving markets for Alaska timber, seafood or other products in Japan. Japan's loosening of its domestic economy and new emphasis on housing - Japanese home construction is improving after a long slump - has created an export boom for Alaska logs and dimensional lumber. Southeast Alaska's three major sawmills are working at maximum capacity; new sawmills are planned in Ketchikan and Seward, and another will reopen in Klawock.

Korea also has interest in Alaska timber. Mr. Yang, of Alaska's Seoul office, is working with a company there interested in investing in an Alaska mill project.

Mr. Hayashi, a forest products expert with many years of experience in Alaska-Far East timber trade, sees a worldwide shortage developing in hardwood chips. In the Pacific, supplies from traditional sources in Southeast Asia are being reduced, and Japan is now importing chips from Chile. Alaska is closer. If supply from Alaska's mature birch forests could be made available, there might be real opportunity, he thinks.

Politics Boosts Alaska's Trade

Politics also plays a role in boosting Alaska's foreign sales. Heavy pressure from the U.S. government is on Japan, Korea and Taiwan to ease huge balance of trade imbalances. An easy way to do that is to buy more of what those countries currently import, particularly commodities. This puts Alaska in a good position because of the state's longstanding trade relationships in the Far East.

An example: South Korea's Korea Electric Power Company, the customer for Usibelli Coal Mine and Suneel Alaska's export sales, has cut purchases of coal from Australia and Canada, Alaska's competitors in coal, by 40%. But KEPCO has cut Alaska purchases only 20%, even though Alaska's coal has a high moisture content and low heat value. Mr. Yang, from Alaska's South Korean office, sees no major change in KEPCO's purchases, in the near future. (continued on next page)



Politics particularly affects trade in fish. The value of Alaska fish exports is rising now because of the strong yen. But with Japan now excluded from fishing in U.S.-controlled waters of the Bering Sea and North Pacific, Japanese companies are interested in investing in onshore plants and buying fish from Alaskans, in a long-range plan aimed at guaranteeing secure supply amid more international competition for the North Pacific fisheries resources.

Other international markets are also opening: With a shortage of whitefish stocks in the Atlantic, Europeans are looking to the Pacific. Alaskan firms are studying shipment of fresh fish by air over the pole.

Fundamental Changes in Asian Economies

The main engine of Alaska's export trade is the Far East, where a number of fundamental economic changes have made the Pacific the world's major trading arena.

Japan's economy, while still only a third the size of the U.S., has matured to the point where Japanese standards of living are approaching, if not reached parity, with those in the U.S. More significantly for Alaska: With its high yen and stagnant markets for now-expensive Japanese exports, Japan is rapidly transforming its economy to one driven primarily by internal demand than by external export sales. The success of that transformation is taking even Japanese by surprise.

The government's reflation policy, easy credit, lower import prices due to the strong yen and the 'wealth' effect of the real estate and stock market booms, are combining to release pent-up Japanese consumer demand.

This is important because newly-affluent Japanese will demand more imports. Alaska is in a key position to benefit from these trends. One factor in Mitsui's plans for a ski resort near Anchorage, for example, is that it may be as cheap for a Japanese couple to buy a ski vacation in Alaska as in northern Japan, even considering the distance. And, Alaska is two hours' flying time closer than any other North American destination.

South Korea's domestic economy is growing fast. While nowhere near the prosperity levels of Japan, Koreans are more affluent than ever before. With a large trade imbalance with the U.S., Korea is looking to import more in commodities from Alaska, including timber and fish. Tourism, on a small scale, is not out of the question.

Major changes are taking place through the entire Pacific region. The export growth model pioneered by Japan, then copied by Korea, Taiwan, Hong Kong and Singapore, is now being duplicated in Malaysia and Thailand. Heavily populated Indonesia, anxious to diversify its economy away from oil and agriculture, is in the early stages of export-targeted industrialization. As wages rise in the first group of Asian exporters, labor-intensive industries move to nearby nations with lower wage costs. Alternatively, domestic industries in those countries begin successfully competing.

Meanwhile, as labor skills improve, people become better educated and financial resources accumulate, Korea, Taiwan, Singapore are shifting their economies upward into more sophisticated, advanced capital-intensive manufacturing. Japan may be now entering an advanced, almost 'post-industrial' phase of development, led by high-tech industries, services and finance, with its remaining manufacturing kept alive by internal demand.

Meanwhile, the "awakening giant" of the region may be China, as it continues gradual improvement of its industry and agriculture and begins to open its immense population to foreign trade. Alaskans are working now to "position" themselves properly as China opens up. Alaska timber firms are now exporting logs to China, and trade missions have initiated a number of contacts, particularly in the northern province of Heilongjiang.

The uplifting of Asian economies to more sophisticated technologies and domestic prosperity, will have profound effects on the world. For a commodity-exporting region like Alaska, it means a steady, rising demand for Alaska's main exports and rich potential for new business ventures. This assumes Alaska can remain competitive. Many of those same commodities can be supplied from other, competing regions of the Pacific. •

Tim Bradner is Editor of the Alaska Economic Report.

Alaska Exports On The Rise



Exports from Alaska to other nations in 1987 exceeded \$1.56 billion, up 20.6% from 1986 and 25% over 1985, according to U.S. Department of Commerce figures. According to a national formula developed by the Commerce Department, Alaska's export industries - mainly fish, forest products, urea and natural gas - provided as many as 30,000 jobs in the state. Increased 1987 exports may have added as many as 4,000 jobs.

Exports to Japan, Alaska's main trading partner, were up 17.8% to \$1.27 billion; Korea was up 11% to \$156 million. Seafood and other marine products was the major export item, increasing 37% in 1987 to \$574.6 million, most of it to Japan. Wood product exports reached \$255 million, up from \$170.6 million in 1986; pulp exports were \$131 million, up from \$89 million the year before. Ask Information Search, a research firm, compiled these figures.

Good News



Alaska Team Marine Corporation President Daniel T. Zantek recently signed on as one of 13 agents in the world for Hyundai Mipo dock yards. Zantek noted, "two years ago, I sought out international ship repair firms. I contacted Mr. Yang of the Alaska Seoul office. He helped get bids/figures and specifications from Korean ship repair yards. Mr. Yang was a crucial element in my becoming a Hyundai agent." Zantek, known to Alaskans as "Polka Dan", is based in Anchorage.



ALASKA



JAPAN



KOREA



Trade Lead Bulletin

Trade Leads

JAPAN



AMITA Corporation
Mr. Tadashi Nakanishi, Import Asst.
General Manager
Kyoto Handicraft Center
Kumano Jinja Higashi, Sakyo-ku,
Kyoto, Japan 606
Telephone 075 (761) 0141
Fax 075 (751) 2404

Seeking to import jewelry, textile goods, general merchandise. Amita is a Kyoto-based company, with more than 40 years in the import business.

NISSHIN International

Mr. Yoshiro Okamura
Tsukiji Mikasa Bldg. 8F, 2-10-4 Tsukiji,
Chuo-ku, Tokyo, Japan
Telephone 03-542-3628
Fax 03-545-9525

Seeking to import cured salmon eggs. Firm established in 1976; 10 employees; annual sales are 4.5-5.0 billion yen per year; reference bank: Mitsui Bank, LTD. Contact Dick Lenahan, 271-5041.

Yamaha Motor Co.

Mr. Kenji Tomita
Youei Ginza Bldg. 4f, 8-8-5 Ginza
Chuo-ku, Tokyo 104
Telephone 03-572-2075
Fax 03-572-8137

Firm is seeking to import fresh king salmon and live/frozen crabs. Firm established in 1955 and has 12,000 employees. Annual sales are approx. 380 billion Yen. Reference banks are FUJI Bank and DAIICHI Kangyo Bank. Contact Dick Lenahan, 271-5041.

Japan Transfer Systems

Mr. T. Mori
Dairoku Shinko Bldg. #702
2-15, Higashi Tenma 2-Chome
Kita-Ku, Osaka, Japan 530
Telephone 06-352-5101
Fax 06-352-5524
New company seeking U.S. products: wall posters, toys, t-shirts, christmas wares. Contact Dick Lenahan, 271-5041.

Greenwood Trading Corporation

Katoh Bldg. 3f, 2-3-5 Tsukiji
Chuo-ku, Tokyo 104
Mr. K. Okabe, President
Telephone 03-544-0775
Fax 03-545-1120
Seeking to import salmon. Firm established in 1986 with 5 employees. Annual sales are 600 million Yen (129/ Yen to \$1). Reference banks: Kyowa Bank and Mitsui Bank. Contact Dick Lenahan, 271-5041.

Japanese company seeking reindeer antler supplier for use in health food industry. Contact Mary Fleming (OIT) 561-2079.

Koei Boeki

Kojimachi Eki Plaza
301-5 2-Bancho
Chiyoda-ku, Tokyo
Telephone 03-262-8101
Fax 03-262-8103

Seeking to import fish by-products: white and brown fish meal, trawl fish meal, fish paste and fish powder. Firm established in 1984, employs 8. 1986 sales: 1 billion yen (129 Y/\$1) Reference banks: Daiichi Kangyo Bank, Ltd. Contact Dick Lenahan, 271-5041.

EPISTAT

Mr. Gordon Hocking
Akasaka Murai Bldg. 9F
7-3 Akasaka 1-chome
Minato-ku, Tokyo 107
Telephone 03-582-5503
Fax 03-582-5604

Japanese broker seeking supplier of sand and gravel. Gravel should be 10-25 mm in size; sand greater than 5mm. For more information, contact Mary Fleming (OIT) 561-2079.

NT Frontier Road Co.

Mr. Eiji Yamamoto
6f Ikeda Dai-ichi Bldg.
11-4 Yotsuya 3-chome
Shinjuku-ku, Tokyo 160
Telephone 03-351-2225
Fax 03-351-2203

Firm seeking possibility of licensing Alaskan ice cream company's recipe. Call Mary Fleming (OIT) 561-2079.

IWATE

A Tokyo, Japan firm seeking to purchase Alaska fur garments. Contact Mary Fleming (OIT) 561-2079.

KOREA



Jin-young Co. (Seoul, Korea)

a Korean textile company, is interested in developing a joint venture or a 100% capital investment surimi plant in Alaska. For more information contact, Steve Roberts (OIT) 561-5585.



New Foreign Investment (cont. from pg 1)

Both projects are significant: Alaska will be Mitsui's first investment in a ski project, although the company has had timber and fisheries involvement here for years. Wishbone Hill will see the first equity investment by a Japanese company in an Alaska coal project, or the first Japanese involvement in Alaska coal of any kind.

Current coal exports involve sales by Alaskan companies - Usibelli and Suneel Alaska - to a customer at the port, South Korea's Korea Electric Power Co. In some ways, an equity investment has advantages for Alaska.

When there is a short-term market downturn, an investor who is also the major customer, is less likely to go hunting for cheaper bargains elsewhere in the Pacific. Coal and forest products are both plentifully available elsewhere.

What's also significant about Idemitsu's plan is that it will involve sales of Alaska coal directly to industrial companies for their own use, rather than as steam coal to big electric utilities, which is the primary market for the Usibelli Mine and, someday, the Beluga project proposed by Diamond Alaska Coal Co. Thus, Idemitsu

has opened a new market 'niche' for Alaska coal.

Mitsui's lease calls for a working ski project in five years and submission of a plan for its large resort within five years. There are also several development 'benchmarks' to be met before five years are up.

The Mitsui project demonstrates how the Office of International Trade can help facilitate foreign investment. Mitsui had actually been looking at British Columbia to develop a resort, but became interested in Alaska when the company saw information on the state's Hatcher Pass recreation and ski

development plan, provided by the state's Tokyo office.



EXPORTER OF THE YEAR: SEA HAWK SEAFOODS



Governor Cowper presents "Exporter of Year Award" to Sea Hawk Seafoods owners Sandra and Ray Cesarini

Governor Steve Cowper tapped Sea Hawk Seafoods for the "Alaskan Exporter of the Year" award March 31 in Anchorage at the annual banquet sponsored jointly by the Governor's Office of International Trade and the U.S. Department of Commerce's Export Council of Alaska.

The Valdez seafood company bested a field of 11 nominees for the award. Citing the firm's innovation, Governor Cowper said, "This company represents the kind of thinking and en-

terprise that is changing the direction of Alaska's economy, creating stability through diversification."

Sandra and Ray Cesarini founded Sea Hawk Seafoods in 1980. The firm's export strategy marked a dramatic shift towards foreign sales. In 1984, income from foreign sales totaled only 18% of Sea Hawk's gross sales. By 1987, the company's foreign sales income reached 83%, tripling total company sales. Two-thirds of Sea Hawk's outside sales went to Japan (65%), 11% to Europe and 8% to Canada.

Sea Hawk employs 30 to 40 Alaskans year-round and has a seasonal work force of over 350. The company's total annual payroll exceeds \$2 million.

The other top Alaskan exporters nominated included:

Alaska Pulp Company, of Sitka, Chinook Alaskan Brewery of Juneau, Harbor Enterprises of Seward, Koncor Forest Management Inc. of Anchorage, Sealaska Corp. of Juneau, Seley Corporation of Ketchikan, Silver Lining Seafoods of Ketchikan, Suneel Alaska Corp. of Seward, Usibelli Coal Co. of Healy, and Wetco Inc. of Anchorage.

The Tokyo office handled initial communications between Mitsui and the Department of Natural Resources; when Mitsui's planning teams arrived in Alaska, the Anchorage OIT office helped the company through important procedural steps, also assisting DNR with translators in checking out required financial references in Japan for Mitsui and its partners in the project. Mitsui then received its leases in an uncontested public auction.

Wishbone Hill offers a different example. Here an Alaskan firm, Hawley Resources of Anchorage, was successfully put together with an overseas partner. The Tokyo office discovered Idemitsu was in the process of switching from oil to coal for its industrial plants, and building a large coal-unloading facility near Tokyo.

When the office inquired whether Idemitsu might be interested in Alaskan coal, the first response was negative, since Idemitsu was developing a coal mine in Australia. But Idemitsu then identified additional needs, for one million tons/yearly beginning in 1991, and agreed to look seriously at Alaska. The Tokyo office contacted Hawley, telling them of Idemitsu's interest. Hawley later sold his share of the mine to Union Pacific, remaining as a consultant to the project.



ALASKA



JAPAN



KOREA

**OIT / ASCC Symposium**

"A Closer Look at
Alaska-Siberia Relations
Past, Present and Future"

April 23- 10-3:00

Anchorage Northern Lights Inn

Featuring Chief Soviet

Spokesperson Gennadi Gerasimov

Call 561-5585 to register (\$30 fee)

OIT-SAPPORO TRADE SHOW REPORT

Eight Alaska businesses participated in the OIT sponsored booth at the Sapporo Trade Show in February. Over 17,000 Japanese consumers and business people attended the fair and 2,100 brochures describing Alaska businesses and cities were distributed. The Alaska businesses included: Chinook Alaskan Amber Beer, Alaska Log Specialties, WETCO, Alaska Adventure Book, Heil Brothers, Fort Yukon Fur Cooperative, Taku Smoker-ies and Alaska Seafood Company.

Alaska participants continue to field inquiries about exporting their products from Alaska to Japan. One company, Douglas based Chinook Alaskan Amber Beer, increased sales substantially in the Japanese market due to product exposure at the Sapporo Trade Show. Chinook representatives noted that the Sapporo show exposure increased orders fivefold and has caused a stir in the Japanese marketplace. Chinook has begun monthly beer shipments to Japan. •

**PUBLICATIONS**

Focusing on International Trade
Alaska-Japan Trade Analysis
Alaska-Korea Trade Analysis
Alaska-Taiwan Trade Analysis
1987/88 Alaska Trade Directory
1987 OIT Annual Report
OIT/ISER: Alaska-Siberia Trade
Call: 561-5585 for copies

INTERNATIONAL TRADE SHOWS

The Office of International Trade continually receives information on a variety of international trade shows and events. OIT focuses on the Pacific Rim nations and increasingly, on European shows. The following is the most recent information received. For information, please contact Ginna Brelsford, OIT at 561-5585.

**AUSTRALIA**

1. State of Alaska, "Partners in Pacific Trade" exhibit at Expo '88 in Brisbane, Australia, April 30-October 30. Sponsored by the Alaska State Chamber of Commerce, the Alaska Department of Commerce and Economic Development.

**JAPAN**

1. State Tokyo office to participate in Junior Chamber of Commerce event, "Japan-US Forum for the 21st Century - the impact of economic and industrial relations on small businesses and local industries," May 22-23 at Nagoya Castle Hotel.
2. Food Marketing Show '88: August 30-September 1, 1988. Tokyo International Trade Center Fair Grounds. 20,000 expected to attend the show organized by Nihon Keizai Shimbun, Inc. Japan's prestigious economic newspaper.
3. World Food Festival JUNO'S JAPAN '88 - festival held from June 3-October 10, 1988 at Tsukisamu Center IMAX pavillion in Sapporo, Hokkaido. The international festival focuses on Northern Regions of the world and food.

**KOREA**

1. U.S. Commerce sponsored: Super Korea Catalog Traveling Exhibition. Contact Elizabeth Ausberry at 202-377-3973. April 29 deadline.
2. KORFOOD'88 - Korea International Food Technology Exhibition, May 27-31 in KOEX, Seoul, Korea. Organized by the Korea Trade Promotion Corporation and sponsored by the Ministry of Trade and Industry and the Ministry of Health and Social Affairs.
3. Korea World Travel Fair - June 9-June 13, 1988 in Seoul, Korea. The fair is designed to take advantage of preparation for the Olympics to be held in July in Seoul. All Alaskan tourism related companies interested in marketing Alaska as a destination spot are encouraged to participate. It is expected that current limitations on Koreans' travel will be lifted in late 1988.
4. Seoul International Trade Fair '88 - October 20-21, 1988 designed to foster international trade and industrial technology. Organized by the Korea Trade Promotion Corporation (KOTRA) and sponsored by the Ministry of Trade and Industry, Republic of Korea. Venue: Korea Exhibition Center, Seoul, Korea. Exhibitors: manufacturers, traders, sales representatives, agents, associations, public organizations, governments.

**TAIWAN**

1. Taipei International Hardware and Building Material Show, May 21-25, 1988 at the World Trade Center in Taipei. Exhibits: building materials ranging from roofing materials to floor coverings.
2. Computex Taipei - June 6-12, 1988, at the World Trade Center in Taipei. Exhibits: computer systems, mini/micro computers, personal computers, software services.

**SOVIET UNION**

1. Stroydormash '88 Construction/Road building equipment fair in Moscow. Sponsored by U.S. Commerce. May 25-June 3, 1988. Contact L. Heimowitz, U.S. Commerce at 202-377-0558.

TITLE OF POSITIONS WITH ALASKA PULP CO., LTD., Tokyo

1957 Assistant, Accounting & Financing Department
1958 - 1975 (transferred to Alaska Lumber & Pulp Co., Inc., Sitka)
1972 Director
1976 Director, Manager of Pulp Sales Department
1978 Director, General Manager of Sales Department (Pulp & Lumber)
1981 - 1984 Managing Director
1984 (transferred to Alaska Pulp Corporation, Sitka)

TITLE OF POSITIONS WITH ALASKA LUMBER & PULP CO., INC., Sitka

1958 Assistant Manager of Executive Office - Sitka
1969 Assistant Secretary, Manager of Executive Office - Sitka
1972 Vice President, Assistant Secretary, Manager of Executive Office - Sitka
1973 Director, Vice President, Assistant Secretary
1975 - 1983 Director (stationed in Tokyo)

TITLE OF POSITIONS WITH WRANGELL LUMBER CO. (ALASKA PULP AMERICA, INC.), Wrangell

1973 Director, Vice President
1975 - 1976 Director, Resident Vice President

TITLE OF POSITIONS WITH ALASKA PULP CORPORATION, Sitka

1984 - 1985 Director, Vice President, Manager of Sales & Traffic Division
Pulp Sales to Japan, Korea, China, Taiwan, Mexico, U.S.A.,
Egypt, India, Iraq, etc.

MEMBERSHIPS

Alaska Kai, Tokyo

Alaska Nippon Kai, Alaska

Alaska Loggers Association, Alaska

Washington Athletic Club, Seattle

Alaska Business Council (Organized by Gov. Hickel to guide State business)
Major concerns: Pipeline Impact
State Inflation

KAZUNAGA HAYASHI
 =====

(February 22, 1985)

Date of Birth November 19, 1927 (Age 57)
 Place of Birth Nagano Prefecture, Japan
 Current Address: (Japan) 1-21-6, Denenchofu, Ohta-ku, Tokyo, Japan
 (Phone) Tokyo 03-722-2471
 (U.S.A.) 205 Crabapple Drive, Sitka, Alaska
 (Phone) 907-747-6247
 Social Security Number 537-40-3758
 Name of Wife Takako Hayashi (Date of Birth: March 19, 1929)
 Name of Daughter Mariko Hayashi (Age 26), married with I. Yamanaka.
 Name of Son Norio Hayashi (Age 25), graduated Sophia Univ. - 1982.
 Father & Mother Living in Nagano Prefecture - Father is Shinto Priest.

SCHOOL AND EMPLOYMENT HISTORY

1952 Graduated from University of Tokyo, The Faculty of Economics
 1952 - 1954 Shonan Sangyo Co., Ltd., Tokyo (Small Pox Vaccine Producer)
 1955 - 1956 C. P. C. Co., Ltd., Tokyo (Cinema Producing Company)
 1957 - 1984 Alaska Pulp Co., Ltd., Tokyo
 Pulp Sales, Pulp Production, Log Sales, Logging, Lumber Sales,
 Lumber Production, Harbor Seafoods, Wood Chip Sales, Ship
 Chartering, Office Administration
 1958 - 1984 Alaska Lumber & Pulp Co., Inc., Sitka, Alaska
 Pulp Manufacturing, Logging, Pulp Sales
 1973 - 1975 Wrangell Lumber Co. (Alaska Pulp America, Inc.), Wrangell, Alaska
 Lumber Manufacturing, Lumber and Log Sales, Wood Chip Sales
 1984 - 1985 Alaska Pulp Corporation, Sitka, Alaska
 Pulp Manufacturing, Logging, Pulp Sales

RESIDENT HISTORY

		<u>JAPAN</u>	<u>ALASKA</u>
1927 - 1957	Japan	31 years	
1958 - 1975	Sitka, Alaska		18 years
1976 - 1983	Japan	8 years	
1984 - 1985	Sitka, Alaska		1 year
		<u>39 years</u>	<u>19 years</u>

(19 years of last 27 years in Alaska, U.S.A.)

begins at 12:45 Room 124

3-10-88

Steve Roberts from the OIT in Anchorage will be the tour guide for Mr. Hayashi and Mr. Yang.

Mr. YANG represents Alaska's OIT in Seoul, Korea. He is the former labor attache for the Korean Embassy in Indonesia. He has been the Executive Director for several large Korean Trading Companies.

Mr. Hayashi represents Alaska's OIT in Tokyo. He has lived in Sitka and has vast experience in all aspects of the timber industry.

Ginna describes this as a courtesy visit, one where they can make themselves available to elected officials whom they hold in very high regard.

Question Ideas:

Describe the work their offices do in Japan and Korea.

What future possibilities do they see for Alaska in their countries?

For Mr. Yang: How might the democratization of Korea effect Alaska's relationship with Korea?

Other:

---what do they think of

**the natural gas pipeline?

**sister schools project?

**future fisheries relationships? (I wouldn't

mention the video of Japanese fishing on our side of the donut hole unless they mention it first...)

They know the meeting will only last until 1:30.

65.5

SCOMM



UNIVERSITY OF ALASKA, ANCHORAGE

3211 Providence Drive
Anchorage, Alaska 99508

ALASKA CENTER FOR
INTERNATIONAL BUSINESS

ALASKA CENTER FOR INTERNATIONAL BUSINESS

Status Report

Presented
to

A Joint Meeting of the
House and Senate
International Trade Committees

by
John Choon Kim, Ph.D.
Director/Professor

March 29, 1988

ALASKA CENTER FOR INTERNATIONAL BUSINESS

APPLIED RESEARCH

The results of the following applied research activities will directly benefit business communities throughout the state, which in turn helps the state to diversify its economy and to expand its economic base through international trade.

CURRENT ACTIVITIES

1) VALUE ADDED MANUFACTURING

This will be an on-going project designed to aid businesses in expanding their current operations and/or exporting their products. Initially, the project will focus on the seafood industry then move into other Alaskan natural resource areas. The purpose of the project is to examine the potential for enhancing the state's economic base through diversification of its industries. The Center is identifying new zones of opportunity for value added manufacturing (processing) by studying the current level of activity and what will be feasible for future projects.

Information is continually being gathered from all pertinent sources: state and federal agencies, other states' studies, industry support associations, and individual representatives of the industry. To date the information gathering process has consisted of telephone and mail requests, mail surveys to industry organizations and private manufacturers (processors), and personal in-depth interviews with the representatives of the industry. The creation of a separate extensive up-to-date seafood library section within the ACIB resource library is attributing to the success of the data collection on this project. The close working relationship that ACIB is forming with individual businesses and other representatives of the industry allows the Center to provide assistance and to develop strategies based on specific needs of the industry.

The project will present a profile of the current level of value added manufacturing (processing) and its impact on the economy. The project will identify and develop strategies for incentives and barriers to value added production, further development based on opportunities available and end-user's specifications, and ease of market entry and control. The project will also develop programs to market the concept to businesses and deliver information on a specific needs basis.

CURRENT ACTIVITIES (continued)

2) IMPORT SUBSTITUTION

Study I - Completion Date: March 31, 1988 and December 31, 1988

Develop program design for Import Substitution in State of Alaska. Identify and work with minimum of ten to twelve major Alaskan businesses/government entities to identify "key" commodities or services which have potential for import substitution. Feasibility study (marketing emphasis) will be conducted which will include cost structure, availability of raw materials, qualified manufacturers, skilled labor, financing needs, etc.

Study II - Completion Date: June 30, 1988, with Preliminary Report by March 31, 1988

This portion of Import Substitution Study is divided into three elements:

1. Identification of Import Substitution that has occurred in the past with an attempt to determine factors which were most important in inducing import substitution
2. Research will focus specifically on the petroleum industry and structural change that has occurred, or may occur, as a result of growth and maturation of the petroleum industry and, in turn, opportunities for import substitution in petroleum related industries.
3. Research will address both positive and negative influences of governmental laws, policies, regulations and practices on the process of and opportunities for import substitution, and the effectiveness of government policy tools in achieving import substitution objectives.

3) TONGASS TIMBER MARKET STUDIES

1. Analysis of End-Use Markets for Tongass National Forest Products

This study is a detailed analysis of the size, structure, and characteristics of the user markets for Alaskan softwoods. Specific product dimensions and characteristics are presented along with desired grades and distribution channels. The results of this study will provide forest product manufacturers the information necessary to produce finished and semi-finished products. Complete by 6/30/88.

CURRENT ACTIVITIES (continued)

3) TONGASS TIMBER MARKET STUDIES (continued)

2. Analysis of Tariff and Non-Tariff Barriers to Trade in Forest Products

This study identifies the primary barriers established by Alaskan wood markets to impede the flow of imported wood products. Strategies for overcoming these barriers will be presented. Complete by 6/30/88.

3. A Forecast of Demand Levels in Pacific Rim Forest Products Markets

A detailed demand projection will be made for the end-use markets for Alaskan softwood up to the year 2000. A more general demand projection will be made beyond the year 2000. These projections will enable manufacturers to develop long-range business plans and assist timber owners in planning harvest projections. Complete by 3/31/89.

4. An Evaluation of Southeast Asian Forest Resource Bases, Management Policies, and Harvest Yields

The largest supplier in Pacific Rim timber markets, Southeast Asia, is changing the market structure in the Pacific Rim. This study will evaluate present and future harvest practices in order to determine what changes will take place in the market, and how those changes will affect Alaska as a competitor. Complete by 3/31/89.

4) TAPPING INTERNATIONAL CAPITAL MARKETS FOR ALASKA'S PROJECTS - COMPLETION DATE: MARCH 31, 1989

Research will include an in-depth study to investigate the accessibility of different financing techniques existing in Euromarkets of the Pacific Rim, Europe, and Middle East regions. The research will address:

1. Alaska's demand for financing by economic sector, banks and other financial institutions' capital needs to alleviate their impaired capital structure, export/import needs, mineral resources extraction financing needs, and fisheries and tourism sector financing needs;
2. Merits and limitations of different conventional and new financing methods currently available in the international capital markets
3. Suggested solutions to currency in convertibility of some Asian trading partners, particularly People's Republic of China. Countertrade techniques may also be discussed here.

CURRENT ACTIVITIES (continued)

5) AN ANALYSIS OF THE END-USE MARKETS FOR ALASKA'S SEAFOODS

The objective of this study is to examine the size, structure, and characteristics of the various consumer markets for seafoods produced in Alaska. Research emphasis will include distribution channels, demand levels, product grading, usage characteristics, packaging, and consumer preferences. While the study will examine the major consumer markets for many of Alaska's seafoods, some emphasis will be placed on those seafoods which will be identified by the current ACIB study "Value-Added Manufacturing in Alaskan Seafood" as potential candidates for secondary processing in the state.

In order for Alaskans to take greater control over the manufacture, distribution, and sale of Alaskan seafood, we must first identify the primary consuming markets, understand the success requirements for meeting the needs of those markets, and identify methods for gaining access to those markets. This study will provide this type of information to Alaskan decision makers who are interested in increasing the value of seafood landed in Alaska.

6) ALASKA TOURISM STUDY

The research objective for this study has not been determined at this time. Previous research will be reviewed to identify gaps in the body of knowledge on Alaska's travel industry and government and industry representatives will be informally interviewed to determine pressing information needs. From this search of existing and needed information, a specific and narrow research objective will be established. The results of this study will be used by decision makers in government and industry to increase the level of tourism activity in Alaska. A cooperative working relationship with the Alaska Division of Tourism will be explored.

7) COUNTERTRADE POSSIBILITIES BETWEEN ALASKA AND CHINA

This project will evaluate Alaska's ability to increase exports to China through the use of countertrade. Differing countertrade strategies will be assessed to determine which strategies are appropriate for Alaska/China trade. Various Alaskan and Chinese products will be examined to determine the benefits that both partners could receive from countertrade activities. Additionally, regulations which influence countertrade activity will be evaluated to determine their impact on successful countertrade projects.

INSTRUCTION AND SERVICES

- 1) Formal instruction for International Business and Trade Courses offered for UA campuses and APU will be drawn from the following:

1. Faculty recruitment for International Marketing, International Trade/Economics, International Business Management, International Finance, and International Accounting
2. Governor's Distinguished International Business Scholar-in-Residence
3. The Center's Visiting Fellows
4. State-wide faculty resources inventory and utilization of the faculty for instruction and research
5. Diplomat-in-Residence

2) PACIFIC RIM EDUCATIONAL PROGRAMS

1. Language program (Japanese, Chinese, and Korean)
2. Culture history, and political, socio-economic and legal systems
3. Pacific Rim Summer Institutes for teachers throughout the state

Coordinating the development of statewide Pacific Rim programs in cooperation with the University systems, the Department of Education, and the school districts

3) "HOW TO DO INTERNATIONAL BUSINESS/TRADE" SEMINARS

Continuing series of seminars to provide topical and necessary information to government officials, business people, and students interested in international trade.

4) VIDEO MAKING FOR INTERNATIONAL TRADE EDUCATION

1. Educational documentary video on Alaska's successful exporters. Purpose is to change general attitude from "We cannot do" to "Yes, we can do" in realizing potential for international trade. (Target date: April 1, 1988)
2. Video: How to Export: From A to Z. Purpose is to help the entrepreneur to become familiar with international business and trade. Focus is on export strategies. (Target date: April 15, 1988)

INSTRUCTION AND SERVICES (continued)

5) FACULTY DEVELOPMENT AND TRAINING

Travel and other non-personal services support funding available to the university systems faculty for retooling or integrating functional business courses with an international aspect. Awards to be determined by a committee consisting of deans of business schools of state-wide university systems and APU.

COMPUTER INFORMATION SYSTEM

Planning for the Computer Information System began in 1985 between the Alaska State Department of Commerce and Economic Development, U. S. Department of Commerce, International Trade Administration, and ACIB. It calls for a centralized computer system available to private, public and university users throughout the State of Alaska who have access to a computer terminal. The system is to consolidate all information pertaining to international trade, including directories on Alaskan business and service industries, various international organizations and descriptions of services available, seminar schedules, trade news, etc.

It will also include critical marketing information on product or service market conditions, and supply and demand projections. These will be continually monitored to assess and follow changing markets as a result of fluctuating exchange rates, inflation, competition, changing consumer preferences, etc. ACIB's current focus on research projects mainly involves fisheries and forest products. These commodities will be the first to be installed and expanded on in this system. In 1982, an "Alaska Salmon Market Information System" (ASMIS) was established for the State Department of Commerce and Economic Development by an out-of-state consultant at an expense of \$187,000. It is ACIB's intention to re-establish the format used for this system, then update the information and expand the data base to include other species such as shellfish, bottomfish, halibut, etc. It is anticipated that this portion of the marketing data base will be available by June 30, 1988. In FY 89, the data base will be further expanded to include market information on forestry products and development will be underway related to future research on tourism, minerals, and other natural and technological resources.

The information system will include the state-wide economic data base for determining economic development capabilities of each region or community.

ACIB and the East-West Center have agreed to jointly develop a comprehensive and detailed Pacific Rim minerals data base. The data base will include identification of minerals resources, supply and production capacities, supply and demand trends, exports/imports, price trends, etc.

OTHER ACTIVITIES

- 1) Conferences including International Finance & Banking
- 2) Publication of Alaska Trade Directory (2nd Edition)
- 3) Pacific Rim Market Analysis for Alaska's Resources
- 4) Updating Alaska's Export/Import Trends Analysis by country, by commodity, and by volume
- 5) Faculty and student exchanges
- 6) Joint working relationships with numerous international institutions in the U. S. and Asia-Pacific region

PERSONNEL

Executive Director
Assistant Director
Administrative Assistant

Faculty: Dr. John G. Gissberg, Governor's Distinguished
International Scholar-in-Residence

Regular faculty recruitments for three positions
is on-going

Dr. Hiwhoa Moon,	Distinguished Visiting Fellow
Dr. Musa Essayad,	Research faculty for Summer
Prof. Doug Barry,	Research faculty for Summer

Research Associates:

2 full-time
3 half-time

Consultants: 2

Graduate Research Assistants: 5

Technician (temporary): 1

Editor (half-time, temporary): 1

Receptionist (50%)

ALASKA CENTER FOR INTERNATIONAL BUSINESS
FY 88 and FY 89 Program Budget Needs

March 28, 1988

	<u>FY 88</u>	<u>FY 89</u>
Value Added Manufacturing	\$ 69,400	\$124,900
Import Substitution Study I	25,000	54,400
Import Substitution Study II	90,000	-
Tapping International Capital Markets to Finance Alaska's Projects	25,000	29,800
Fisheries End Use Markets	-	91,900
Tourism Studies	-	45,500
Countertrade	-	17,500
Academic Courses and Seminars	38,600	156,500
International Summer Program	10,000	10,000
Language Program	7,300	20,000
International Finance Conference and Countertrade Conference	45,000	
Video Program	80,100	50,000
Computer Information System	95,600	183,400
Resource Library	27,400	26,500
Information/Publications	16,700	29,700
Trade Directory and Export Guide	14,000	14,000
Administrative Support/Program Development	<u>251,700</u>	<u>391,500</u>
Sub-total Program Expenditures	\$795,800	\$1,245,600
U.S. Forest Service Contracts - Tongass Timber Markets:		
Tariff and Non-Tariff Barriers to Trade in Forest Products in Pacific-Rim Countries	40,518	
Evaluation of Southeast Asian Forest Re- source Bases Management Policies and Harvest Projections		48,381
Forecast of Demand Levels for End-Use Forest Products Markets in the Pacific Rim	<u>116,039</u>	<u>121,117</u>
	<u>\$156,557</u>	<u>\$169,498</u>
TOTAL PROGRAM EXPENDITURES	\$952,357	\$1,415,098
 <u>REVENUE:</u>		
State General Funds	\$595,800	\$599,700
Endowment Earnings (Existing 2.5 m Endowment)	<u>200,000</u>	200,000
Endowment Earnings (Addt'l 2.5 m Endowment)		<u>200,000</u>
Sub-total Gen'l Fund & Endowment Support	<u>\$795,800</u>	<u>\$799,700</u>
Fundraising, grants and contracts, seminar computer system user fees, publication sales	<u>156,557</u>	<u>415,398</u>
TOTAL REVENUE	\$952,357	\$1,415,098

BUDGET

Value Added Manufacturing

	<u>FY 88</u>	<u>FY 89</u>
Distinguished Faculty (.10 FTE)	\$ 18,900	\$ 18,900
Faculty (.40 FTE)		35,000
Research Associate	30,000	39,400
Research Assistant	6,500	12,900
Travel (in-state)	4,000	6,000
Contractual Services (long distance charges, reprographics, postage for surveys, and consultants)	<u>10,000</u>	<u>12,000</u>
	<u>\$ 69,400</u>	<u>\$124,900</u>

Import Substitution Study I

Contractual Services (consultant)	\$ 25,000	\$ 25,000
Research Associate (.25 FTE) to maintain data base and contacts with participating companies.		9,800
Research Associate (.50 FTE) for feasibility studies		19,600
	<u>\$ 25,000</u>	<u>\$ 54,400</u>

Import Substitution Study II

Salaries and Benefits:

Faculty (in-house - .50 FTE)	\$ 46,100	-
Research Associate (in-house - .75 FTE)	28,700	-
Sec/Clerical (in-house - .08 FTE)	3,700	-
Travel	2,000	-
Contractual Services (Printing, long distance charges, and computer time)	7,000	-
Commodities (I/O tapes and softre)	<u>2,500</u>	<u>-</u>
	<u>\$ 90,000</u>	

Tapping International Capital Markets for Alaska's Projects

Salaries and Benefits:

Faculty (in-house .20 FTE)	\$ 13,500	\$ 14,300
Research Assistant (student)	3,000	3,000
Travel (International Conference and Juneau)	3,000	3,000
Reprographics, postage, long-distance calls	500	500
Consulting fee	<u>5,000</u>	<u>9,000</u>
	<u>\$ 25,000</u>	<u>\$ 29,800</u>

Fisheries End-Use Markets

	<u>FY 88</u>	<u>FY 89</u>
Distinguished Faculty (.20 FTE)	-	\$ 18,900
Faculty (.40 FTE)	-	35,000
Research Assistant (1.0 FTE)	-	23,000
Travel	-	15,000
		<u>\$ 91,900</u>

Tourism Studies

Faculty (.20 FTE)	-	\$ 17,500
Research Assistant (1.0 FTE)	-	23,000
Travel	-	5,000
		<u>\$ 45,500</u>

Countertrade

Faculty (.20 FTE)	-	<u>\$ 17,500</u>
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Instruction and Service Programs

Academic Courses and Seminars

Salaries and Benefits

Distinguished Fellows (.40 FTE)	\$ 18,900	\$ 37,800
Director	13,700	13,700
Faculty - Int'l Trade & Econ (.40 FTE)		35,000
- Int'l Marketing (.40 FTE)		35,000
- Int'l Business Mgmt (.40 FTE)		35,000
Travel	1,000	
Contractual Services	5,000	
	<u>\$ 38,600</u>	<u>\$156,500</u>

International Summer Program

Summer courses in International Finance and Banking, intensive study program on "How to do Business, and language course offerings in Chinese, Japanese, and Korean.

<u>\$ 10,000</u>	<u>\$ 10,000</u>
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Language Program (Chinese, Japanese, and Korean)

Temporary faculty	\$ 2,300	\$ 13,200
Travel, consultation, and support for language development	5,000	6,800
	<u>\$ 7,300</u>	<u>\$ 20,000</u>

International Finance and Countertrade Conference

<u>\$ 45,000</u>

ACIB Video Projects

	<u>FY 88</u>	<u>FY 89</u>
Salaries and Benefits		
Producer (temporary)	\$ 28,000	\$ 28,000
Producer/writer (in-house faculty)	7,700	7,700
Clerical/technical support (student and other temporary)	5,000	
Travel (in-state and Japan)	12,800	2,000
Contractual Services		
Consultant - arrange interviews, provide transportation and interpretation services in Japan	6,600	
In-House technical production equipment support, equipment rental, and repairs	13,000	
Narrator, computer graphics, and music production	5,500	
Purchase existing film footage	500	
Total Contractual Services	\$ 25,600	9,300
Commodities - videotapes	1,000	3,000
	<u>\$ 80,100</u>	<u>\$ 50,000*</u>

FY 89 - Video program will continue to aid school districts, general public

* Revenues from sales of videos are anticipated which will substantially decrease general fund/endowment support for program.

Computer Information System

Salaries and Benefits:

Coordinator/Consultant	\$ 24,100	\$ 65,000
Programmer/Analyst	21,200	10,600
Research Associate - Forecasting & Economics	8,800	39,200
Data Entry Technicians (temporary/student)	12,000	12,000
Total Salaries and Benefits	\$ 66,100	\$126,800

Travel - negotiate with federal and state agencies to obtain access to existing information systems for incorporation into ACIB's system, and to coordinate the implementation of the system throughout the state of Alaska

\$ 3,000 \$ 11,800*

*Approx. \$6,000 one time only

Computer Information System (continued)

Contractual Services:

Purchase computer access to existing private or other state on-line data bases.

\$ 30,000**

**Approx. \$21,000 one time only

Reproduction/Printing - instructions, sample reports, promotional brochures	\$ 2,000	3,000
Computer line charges	1,000	4,800
Maintenance contracts	500	2,000
Total Contractual Services	\$ 3,500	\$ 39,800

Commodities - Periodicals, subscriptions, software acquisition, office and computer supplies	\$ 3,000	\$ 3,000
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Equipment - Computer hardware acquisition	\$ 20,000	
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Total Computer Info. System	\$ 95,600	\$183,400
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Resource Library

In-house library consultant to help establish catalog system and locate materials

\$ 5,000

Research Assistant (students)

3,400

\$ 6,500

Periodicals and subscriptions

10,000

20,000

Equipment - shelving

9,000

\$ 27,400

\$ 26,500

Information/Publications

Information Officer/Editor (.50 FTE)

\$ 9,700

\$ 19,700

Contractual Services

Printing, reprographics, postage

7,000

10,000

\$ 16,700

\$ 29,700

Trade Directory/Export Guide

Student Assistants

\$ 3,000

\$ 3,000

Printing, long distance charges, and programming

11,000

11,000

\$ 14,000*

\$ 14,000*

* Costs may be offset up to \$6,250 depending upon sales (\$12.50 per copy X 600)

Administration and Program DevelopmentFY 88FY 89

Salaries and Benefits:

Director (.60 FTE)	\$ 56,100	\$ 56,100
Assistant Director (1.0 FTE)	37,200	49,600
Administrative Assistant (1.0 FTE)	11,000	29,400
Receptionist/Secretary (1.0 FTE)	8,700	23,000
Distinguished Fellows (.20 FTE)	9,500	18,900
Faculty - Int'l Marketing (.20 FTE)	-	17,500
- Int'l Trade/Economics (.20 FTE)	-	17,500
- Int'l Business Mgmt. (.20 FTE)	-	17,500

Temporary technical, clerical and student support (including student research assistants

9,000 20,000

Subtotal - Personal Services

\$131,500 \$249,500

Travel - program coordination in-state, attendance at international conferences

\$ 20,000 \$ 30,000

Contractual Services:

Telephones and long-distance (including facsimile)

10,000 20,000

Estimated off-campus lease cost for approximately 4700 sq. ft.

15,000 60,000

Reprographics, postage

2,000 4,000

Program consultants

10,000 20,000

Maintenance agreements

2,000 4,000

\$ 39,000 \$108,000

Commodities - office supplies and computer software and supplies

\$ 2,000 \$ 4,000

Equipment - Facsimile, desk and side chairs, bookcases, video recorder and monitor, computer terminals and printers, conference tables, copy machine, telephone equipment, etc.

\$ 59,200

Total Admin. and Program Development

\$251,700 \$391,500



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

MOSCOW OFFICE
National Hotel, Suite 449
Moscow, USSR

*Members of the Soviet Delegation
participating in negotiations with
representatives of American fishing
industries on March 14-18, 1988 in
Khabarovsk, USSR*

Dal'ryba an all-union fishing industry association

*Luzikov T.T. Head of the Soviet delegation. Deputy director
of Dal'ryba.*

*Semyonov V.I. Deputy director of the dept. of external economic
affairs at Dal'ryba.*

*Kul'nov S.A. Deputy director of the department of industrial
fishing at Dal'ryba.*

Zakrividoroga A.N. Chief specialist (technologist) at Dal'ryba.

*Kugayevsky V.P. Chief specialist in charge of on-board fish
processing at Dal'ryba*

Primorybprom a production enterprise

*Uss V.M. Deputy general director of Primorybprom, an
organization engaged in the catch and processing
of fish.*



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Moscow, USSR

Zdor V.I. Director of the department of external affairs
at Primorrbyprom.

Zuyev I.Z. Deputy director of the state fishing company BAMR.

Shiyan O.G. Director of the department of external affairs at BAMR.

Kamchatrybprom a production enterprise

Topchy V.V. Director of the state fishing company BORKRP.

Kostin A.M. Deputy director of the fishing department at
Kamchatrybprom

Sakhalinrybprom a production enterprise

Krasnoyarov E.A. Deputy general director at Sakhalinrybprom.

Gribov V.I. Director of the state fishing company BORSRP.

Khabarovskrybprom a production enterprise

Sidorenko V.V. Deputy general director at Khabarovskrybprom.

Afanasyev E.P. Deputy general director at Khabarovskrybprom,
external affairs department.

Sopov V.N. Chief specialist (technologist) in charge of floating
factories and motherships at the production company
Dal'moreprodukt (Far Eastern Seafoods).

Slizkin A.G. Chief specialist at TINRO (Pacific Research Inst.
of Fisheries and Oceanography).

Tumanov V.P. Laboratory head at TINRO.



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Stogny B.N.	<i>Deputy director of the central bureau of construction and technology design.</i>
Pavlov A.L.	<i>Chief specialist at the research and development enterprise specializing in fish processing equipment Dal'tekhrybprom.</i>
Mistyuk V.N.	<i>Chief engineer in the administration of the cargo fleet Vostokrybkholodflot.</i>
Sergeyev K.G.	<i>Director of the Soviet-American company SovAm (MRCI).</i>
Tkachenko K.P.	<i>Fisheries attache at the Soviet embassy in Washington, DC.</i>
Bystrov Yu.A.	<i>Representative of the Vladivostok Chamber of Commerce.</i>
Kruglikov M.V.	<i>Representative of the Khabarovsk Chamber of Commerce.</i>
Vostrikov I.Yu.	<i>Representative of the Khabarovsk Chamber of Commerce.</i>
Vylegzhanin A.N.	<i>Representative of the external relations department of the Soviet Ministry of Fisheries specializing in the USA and Canada.</i>
Boguslavsky V.I.	<i>Chief of the protocol section of the external relations department of the Soviet Ministry of Fisheries.</i>
Kiridon Yu.M.	<i>Representative of the Enforcement Agency of Fish Conservation.</i>

**SCHEDULE OF MEETINGS BETWEEN
USSR AND US FISHING INDUSTRY
DELEGATIONS**

Tuesday, March 15

- 10:00 - 12:30 Opening General Session
14:30 - 16:00 Meetings with representatives of North Pacific
Fishing Vessels Owners Association
16:00 - 18:00 Meetings with representatives of Alaska Trident
Seafoods
19:30 - 21:00 Reception in honor of the American delegation

Wednesday, March 16

- 9:30 - 12:30 Meetings with representatives of the Alaska Crab
Coalition
14:30 - 17:00 Meetings with representatives of Alaska Joint
Venture Seafoods

Thursday, March 17

- 9:30 - 12:30 Protocol summary session
14:30 - 17:00 Closing General Session
19:30 - 21:00 Reception in honor of the Soviet delegation

U.S. participants in fishing industry conference in Khabarovsk, U.S.S.R.
March 1989

ARNE AADLAND, President of North Pacific Fishing Vessel Owners' Association and is the Manager of Ocean Viking Fisheries (F/V ARCTIC WIND). Involved in gillnet, seine, longline, trawl and crab fisheries off Alaska for 34 years. Member of NPFMC Advisory Panel since November, 1987.

PETER BLOCK, President Northern Deep Sea Fisheries, Inc., a joint venture management company involving 20 American trawl fishing vessels and Japanese high sea and U.S. shorebased processing facilities. Involved in seafood-related businesses for over ten years.

FRANK BOHANNON, owner of the F/V NEAHKAHNIE, involved in joint ventures with Japan, Korea and the U.S.S.R. in Gulf of Alaska and Bering Sea for over ten years. Member of the Council's Future of Groundfish Management Committee. Previously a professor in fisheries at the University of Alaska and served as Chairman of the Board of Alaska Fishermen's Safety Incentive Program. Involved in fisheries for over 20 years.

JIM H. BRANSON, Executive Director, NPFMC. Involved in fisheries enforcement and management for over 35 years. Studied commercial fisheries at Oregon State University and fished off Oregon, Washington and California.

JAMES O. CAMPBELL, Chairman, NPFMC. Involved in North Pacific Council for ten years, four as chairman. Retired Alaska businessman, current Chairman of the Board for Alaska Railroad.

DON W. COLLINSWORTH, Commissioner of the Alaska Department of Fish and Game, member of NPFMC since 1983, serves as a Commissioner of the U.S. Section, U.S./Canada Pacific Salmon Treaty Commission.

LARRY COTTER, Pacific Associates, Juneau, Alaska. Involved in North Pacific fisheries matters for several years. Currently a voting member of the North Pacific Fishery Management Council. Since 1986 has worked with the Alaska Crab Coalition in pursuing the reciprocal fisheries access agreement with the Soviet Union. Interested in the development of an integrated Soviet/U.S. fisheries company which goes beyond a transfer of money and believes this type of venture will benefit the U.S. and Soviet fishing industries, the Siberian provinces, and the State of Alaska.

OSCAR DYSON has been involved in the fishing business over 40 years and involved in fisheries policymaking since Alaska statehood in 1959. He was instrumental in developing the king crab and pollock fisheries and is one of the original partners in All Alaska Seafood, a plant which processes king crab, all whitefish, salmon, halibut, and sablefish. Mr. Dyson has been a member of the North Pacific Fishery Management Council since 1985.

PAUL FUHS, Mayor of Unalaska, Alaska for three years. President of Alaska Mariculture Association and past president of the Southwest Municipal Conference. Instrumental in developing fishery and port industries in Dutch Harbor, Alaska, which is the home base in Alaska for the Soviet fishing fleet.

DAVE HARVILLE, Owner, Kodiak & Western Trawlers, a company that owns fishing vessels and manages joint ventures between Alaskan-based boats and foreign motherships. Mr. Harville has been involved in fisheries for salmon, albacore, crab, shrimp and bottomfish in California and Alaska for 25 years and is a member of the Council's Future of Groundfish Management Committee.

ROBERT MORGAN, President and Chief Operating Officer of Oceantrawl, Inc., which manages the operations of the F/T NORTHERN EAGLE in the production, distribution, and sale of surimi and associated products. Involved in the seafood industry for over 25 years. Instrumental in organizing the Alaska Pacific Seafood Industry Coalition which represents most of the processors and harvestors in the industry-to-industry negotiations between the U.S. and Japanese seafood industries.

KAARE NESS, is one of the original founders of Trident Seafoods Corporation and serves as Director and Vice President of Northern Fishing Operations. Trident Seafoods has eight floating processors, three shoreplants, and various fishing boats operating in Alaska, as well as two shoreplants in Washington. Began fishing in 1943 in Norway, mainly in the seine fisheries of herring and bottomfish. Moved to Alaska in 1968 and became involved in Alaskan fisheries. Past president of North Pacific Fishing Vessel Owners' Association and has served as a Director for NPFVOA for many years. Also serves as a Director in vessel insurance pools in the Seattle area.

RON PETERSON, President, Alaska Crab Coalition. Commercial fisherman, multi-species/multi-gear types in Alaska and Puget Sound for 26 years.

WILLIAM PHILLIPS, attorney in Washington, D.C. Former aide to U.S. Senator Ted Stevens. Currently a partner in a fishing operation in the North Pacific and Bering Sea.

TED SMITS, Executive Director of North Pacific Fishing Vessel Owners' Assn.. He has served as an Asst. Director of the Washington Dept. of Fisheries, Vice President of Pacific Seafood Processors Assn., and Executive Director of Puget Sound Gillnetters Association. Also served as a Commissioner on the International Pacific Salmon Fisheries Commission, Chairman of the West Coast Fisheries Development Foundation, and acted as an advisory to the U.S./Canada Fisheries Affairs and Boundaries Negotiations for the Dept. of State.

CLEM TILLION, President-Manager of a company that provides pilot and other marine services. Has operated small boats in the South Pacific and in Alaska. Served in the Senate and House of Representatives of the Alaska State Legislature for 18 years and was a member of the NPFMC for seven years, six as Chairman. Involved in a multitude of national and international fisheries-related boards and committees.

The Alaska Center For International Business Import Substitution Project- Executive Summary

In late November, 1987, the Alaska Center for International Business (ACIB) began an "Import Substitution" project as a strategy for creating jobs for Alaskans.

Import Substitution is a term commonly used to describe economic activity where local manufacturing develops which produces goods that "substitute," or replace goods that were formerly imported. Academic studies of import substitution typically describe how import substitution has played a role as an element of past economic development activity. An analysis of this sort of past activity is then used as an indicator of what might happen in the future. This, on a very broad scale, is then used as a tool for government planners and others. Typically, import substitution studies also go on to describe constraints on further import substitution and to suggest policies that might foster import substitution.

Studies of this kind can be helpful to government planners and policy makers, but seem to be of little immediate use to small or medium size businesses. They are long range, and broadly descriptive, tools.

The approach taken by the ACIB in this import substitution project differs considerably from the traditional academic approach. The models for the ACIB approach are successful economic development programs created in the states of Massachusetts and Michigan. In these models, the purchases of major companies were reviewed in order to identify certain goods imported from other areas that had the potential for local manufacturing. This information was then distributed to local companies to inspire local manufacturing of the goods.

This ACIB project also differs from traditional academic studies in that it does not attempt policy analysis. The assumption is that policy changes can take a long time to accomplish. The ACIB project's approach is to facilitate import substitution given the existing restraints on it, if any.

Like the models mentioned above, the methodology of the ACIB project is to review the purchasing records of private businesses and units of government and to follow the professional opinions of the participating purchasing managers in identifying goods that can currently be produced in Alaska, given the commonly known market conditions such as transportation costs, labor costs, availability of labor, availability of raw materials, equipment costs, etc.

Later, this information is distributed (marketed) to additional prospective purchasing companies and potential manufacturers. In this way, basic market research is conducted for small and medium size businesses that do not have the resources to carry out this research by themselves. At the same time, the specific nature of the early information is used as a new tool to expand the core group of information.

This is a somewhat time-consuming process, and there are impediments to gathering the basic market research. In the case of private companies, the information is proprietary and must be provided on a voluntary basis. Some companies simply may not wish to participate, for a variety of reasons. Other companies may not be able to participate, either because of shortages of staff, computer systems that cannot sort the required information, or a variety of other reasons.

The results of this project also dovetail with the other goals of the ACIB in the areas of value-added enterprises, and the creation of an economy with manufactured exports as a component.

The companies and units of government which were asked to participate in the initial stages of the project included the following:

State of Alaska Department of Administration

State of Alaska DOT & PF

State of Alaska Ferry System

The Alaska Railroad

Anchorage International Airport

Municipality of Anchorage

Anchorage Telephone Utilities

Anchorage Municipal Power and Light

ARCO Alaska
Standard Alaska Production Co.
Alascom
Providence Hospital
Carr's Quality Markets
National Bank of Alaska
Ft. Richardson
Elmendorf AFB
Seahawk Seafoods
Chugach Electric Association
Matanuska-Susitna Borough
Matanuska Electric Association
Matanuska Telephone Association
Enstar Natural Gas Company

These 22 organizations were selected either because of the size of their workforce or because they were representative of a particular type of business activity.

Of the 22 organizations, only two have completely declined to participate. Of the remaining 20, seven have already provided specific information about certain goods purchased from Outside. The other 13 companies or units of government are either currently reviewing the program, still gathering information, or are unable to participate at this time except to respond to requests concerning specific goods.

The ACIB project has created a small number of jobs in just the first few weeks. The extent of this success will be evaluated over the next year, but it is apparent that the strategy of encouraging import substitution does pay off in immediate jobs.

The information received by the ACIB so far only represents about 25% of the possible information available from the initial group of 22 organizations. It is anticipated that an additional 25% will be made available in the second quarter of 1988, as the remaining organizations complete their reviews of their purchases, while at the same time, the number of participating companies will be increased.

A portion of those goods so far reviewed have been selected as typical of certain groups of goods which seem to have a high potential for local manufacturing. These goods have been featured in the first issues of the *Alaska Manufacturing Opportunities Bulletin*, a publication which will appear quarterly. This publication will be distributed to Alaska businesses and other Alaskans who may be able to manufacture some of the goods featured. Responses to the distribution of the publication will also be used to develop a list of current manufacturing capabilities in Alaska which can also be cross-referenced with the various needs for new manufacturing. Finally, those items featured in the publication can also be used by smaller companies as a starting point for their own review of their purchases.

The value of the goods purchased that have received an initial review by the ACIB (as a result of the information provided by the five organizations), represents about \$250,000,000 in goods. Of this amount, \$2,500,000 to \$5,000,000 worth seem to have potential for conversion to local manufacture. This represents 1-2% of the goods reviewed. However, a number of the participating companies and many smaller companies who are not yet involved in the project, cannot conduct a useful search of their purchases without first having more specific direction from the ACIB. Information in the publication, *Alaska Manufacturing*

Opportunities Bulletin, will be used as a guide for these companies to help them sift through their purchasing information. Providing this information to them should result in an expansion of the estimate of the gross market for the currently identified categories of goods. Therefore, a more precise estimate of the extent of the markets for these goods is not yet known. These market estimates, then, represent conservative estimates of minimum markets.

The ACIB Information Exchange

One of the principal functions of the Center is to gather information about opportunities for Alaska's businesses to expand existing markets or enter new ones. Presenting this information in a format interesting enough to be read, considered, and used by individuals is a major challenge. To be considered successful, the Center must not only present the information, but by doing so must spur new economic development and growth. The ACIB Information Exchange is designed to meet this challenge.

It will package the information developed by the Alaska Center for International Business in ways designed to make it most useful to the people interested in it. The Exchange will take full advantage of the unique qualities of computers.

The Exchange project team will transform material collected by the Center so that users can interact with the reports, ask questions and get answers in ways which were previously impossible.

By the end of the first phase of this project in June, the International Business Center's information system will have four capabilities:

- 1) It will contain a database of business opportunities for entrepreneurs. For example, it will include the products identified by ACIB's Business Import Substitution Project.
- 2) A bulletin board will give users information about the activities of the Center and other meetings, workshops, and economic activity related events around the state.
- 3) It will provide users access to "static" reports (a report containing information which is unlikely to change over time) while letting them examine and modify the assumptions used in creating the reports to reflect changing conditions or their personal views.
- 4) Dynamic reports (those containing information which is updated periodically) accessed through the system will be automatically updated as new information becomes available.

The Alaska Center For International Business

Alaska Manufacturing Opportunities Bulletin

April-June, 1988

Can Your Company Make It In Alaska ?

Every year, major Alaska companies and units of state, federal and local governments spend millions of dollars on goods or services made in other states or countries.

The Alaska Center For International Business (ACIB), at the University of Alaska, Anchorage, has begun a program to find or establish local manufacturers for some of these goods in order to create jobs for Alaskans.

Please take a few minutes to look through this brochure. If your company currently manufactures any of these items, or similiar goods, or if you believe you may be able to enter these markets, fill out the detachable postcard on the back page and mail it to the ACIB or call project director Mike Neiswonger at the ACIB. See pages 2 and 3 for more details and be sure to watch for additional opportunites in further issues of the Alaska Manufacturing Opportunities Bulletin.

This First Issue Of The Alaska Manufacturing Opportunities Bulletin Is Being Distributed With The Cooperation Of The Alaska Association Of Manufacturers.

This is the first issue of the Alaska Manufacturing Opportunities Bulletin. This information is the result of a project which is reviewing current purchases made by Alaska companies and state, local and federal government. The items listed in this issue represent only a very small part of the total goods imported into Alaska. Additional goods will be featured quarterly in this publication as our research continues. These items have been selected because they seem to have potential for local manufacturing at the present time, but do not necessarily represent the largest markets for conversion to local manufacture. Items like automobiles, raw steel, and paper products, although they represent large numbers of dollars in purchases, have been excluded from this bulletin because they involve considerations of labor, technology and raw materials that are not presently available in Alaska. Some items represent local manufacturing opportunities because of the proportion of the cost of the goods associated with transportation to Alaska.

How the project works- The information in this brochure is the result of an "import substitution" program being carried out by the Alaska Center For International Business. The information is being gathered by reviewing purchases made by Alaska companies and various units of government, of goods manufactured Outside which seem to have a high potential for

local manufacture. The information made available by these companies will be published quarterly in the Alaska Manufacturing Opportunities Bulletin.

Companies or individuals who would like to submit bids to provide these materials should contact Mike Neiswonger at the ACIB by mailing in the postcard on the back page of this bulletin. The ACIB will screen interested potential suppliers and provide assistance when possible, to help local manufacturers in obtaining orders for goods.

ACIB may be able to assist some potential manufacturers in locating financing for some projects. Potential manufacturers should be aware that in order to supply these goods to purchasing companies, bids must be competitive and the product quality must match that of the quality of the currently purchased goods. Some other conditions may also apply.

How to Participate - There are three ways to participate in this project; as a supplier of goods manufactured in Alaska, as a buyer of those goods, or both.

The primary goal of the project is to create new jobs for Alaskans by replacing imported goods with goods manufactured in Alaska. If your company can manufacture any of the goods listed in this bulletin, or similar goods or if you think you can enter these markets, contact the ACIB by filling out the attached postcard and mailing it to the ACIB,

or contact Mike Neiswonger at the ACIB by phone. (Please Note: as we go to press the ACIB is moving to a new location and our new phone number is not yet known. The old number is 786-1762, but you may have to check with directory assistance to get the new number. It will, however, be printed in the next issue of the bulletin.)

The ACIB also needs help in identifying currently imported goods that might be manufactured in Alaska. If your company can participate in this manner, there are a number of possible benefits, including the establishment of multiple suppliers, lower freight costs, and possibly lower costs for certain goods. In addition, you will be helping to create diversified jobs for Alaskans and strengthening the local economy, which is good for all businesses.

Some Questions and Answers-

Q. My company distributes some of the goods mentioned in this bulletin. We buy these goods from Outside manufacturers and then sell them to local companies. How can I participate in this project?

A. Some of the goods shown here are currently purchased through Alaska distributors, while other goods are purchased directly from the Outside manufacturer. If you currently supply some of these goods, you should contact ACIB by phone or by filling out the attached postcard. We may be able to provide you with a local supplier, or

we may be able to help you start-up your own manufacturing operation.

Q. My company is already making some of these goods in Alaska. Is the ACIB trying to start-up companies to compete with me?

A. No. If you are already manufacturing (not distributing, but actually manufacturing these goods in Alaska with Alaska labor) then contact us immediately. The project is aimed only at creating additional jobs for existing Alaska businesses, or helping those companies create jobs by entering related manufacturing fields, or in establishing new businesses where none currently exist.

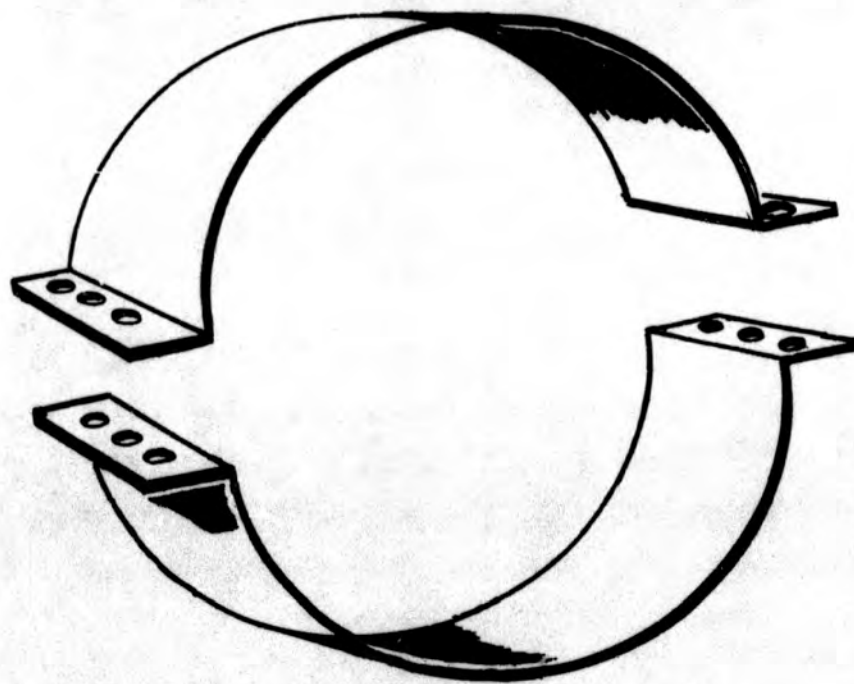
Q. I could manufacture one of these items but I don't have the capital to get into that product line. What should I do?

A. Contact us now. There is some private venture capital available for certain manufacturing enterprises run by qualified operators. We might be able to help.

Alaska Manufacturing Opportunities Bulletin is published quarterly by the Alaska Center For International Business at the University of Alaska, Anchorage. Mike Neiswonger. project director.

Illustrations and product descriptions are for general information purposes only. Contact the ACIB for additional specifications.

Plant, Equipment, Accessories



Pipeline Saddles

- *piggy - back
- *w/straps
- *w/u-bolt
- *w/insulation protection shield
- *for 6" x 2" pipe

Plant, Equipment, Accessories

Road Markers

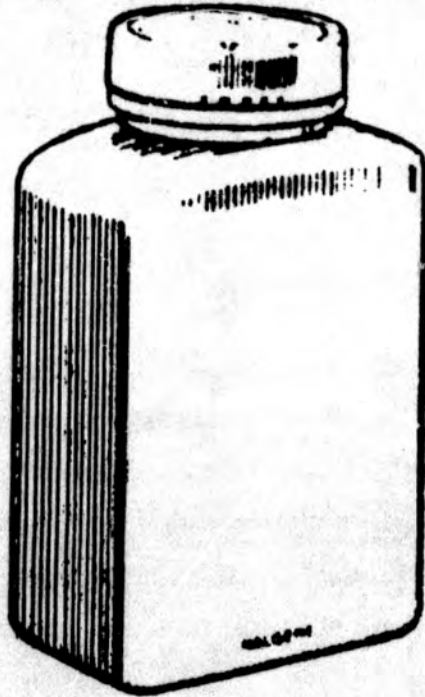
- *3-3/4"W x 60H
- *color brown
- *w/ reflectors 12" x 3"
white on front, yellow on back
- *some w/high intensity reflector tape
- *also other sizes



Pipe - support

- *w/straps for saddle
- *various sizes

Plant, Equipment, Accessories



Bottles

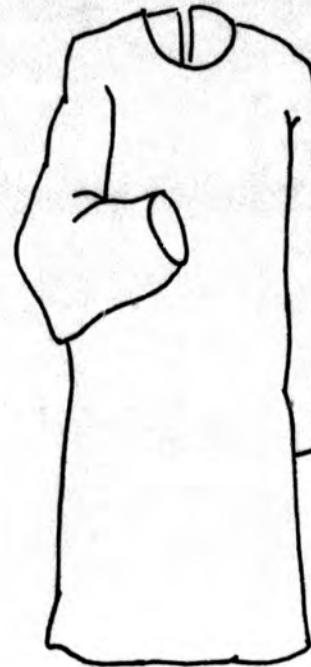
- *1 liter
- *plastic
- *w/cap

Plant, Equipment, Accessories

Wrappers

- *various sizes
- *cellulose fabric or paper

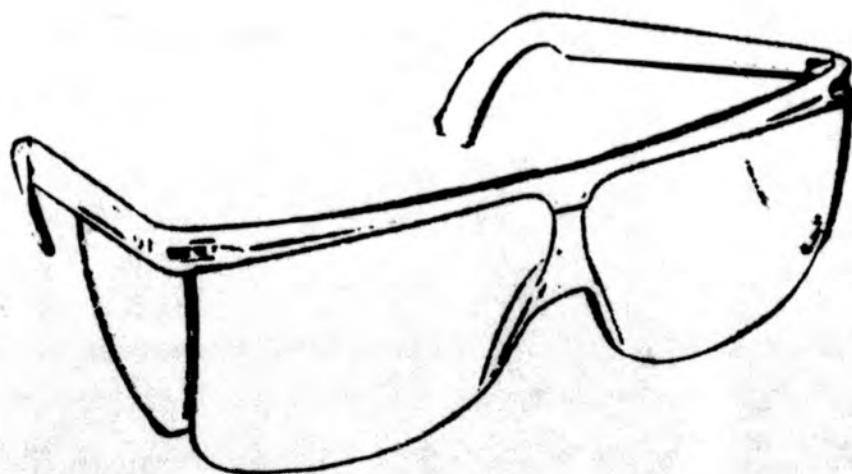
Clothing And Safety Materials



Isolation Gowns

- *cellulose fabric or paper
- *no requirement for sterility

Clothing And Safety Materials



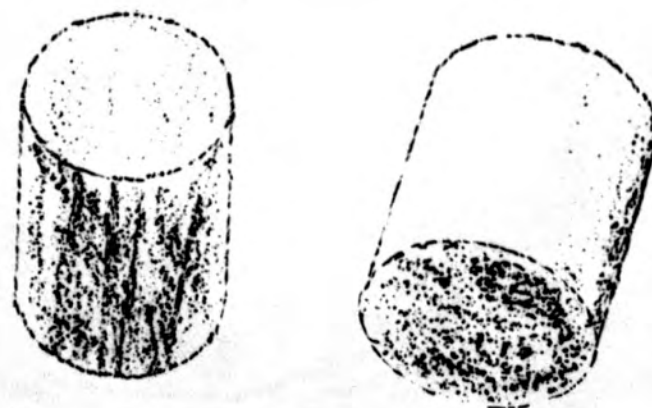
Protective Eyewear

*clear plastic

*w/sideshields

*replaceable lens

Clothing And Safety Materials



Noise Reduction Ear Plugs

*foam rubber



Gloves

*100% cotton

Misc. Materials And Services

"Kit" Assembly

*manual sorting of lightweight items

*wrapped in plastic



Package Strapping

*plastic

WARNING

Warning- Any or all of the products described in this bulletin may be covered by unexpired patents, pending patent applications, valuable confidential know-how and/or trade secrets ("Property Rights") which may prohibit, restrict or otherwise limit the manufacture, sale and or use of such products without the express authorization of the person(s) owning or controlling such property rights. Unless otherwise stipulated in writing, the ACIB and companies participating in this project, have no specific knowledge concerning the possible existence or status of such property rights relating to the products generally described herein. Therefor, all persons interested in manufacturing, selling or using such products, or

CONTINUED ON BACK

☐ I would like more information about the items listed in the Bulletin.

☐ My company currently manufacturers _____

☐ My company would like to help find local suppliers for some goods.

Company Name _____

My Name _____

Address _____

City _____ Zip _____

Phone _____

WARNING CONTINUED

in evaluating the possible manufacture, sale or use thereof shall: (1) Assume full responsibility for all procedures and related costs necessary to determine the existence of any Property Rights covering such products and to evaluate the possible manufacture, sale or use of such products in light of any expense or other obligations imposed by the existence of such Property Rights; (2) Where necessary, obtain the required permission to manufacture, sell or use such products including payment of all costs associated therewith; (3) fully indemnify and defend the ACIB and participating companies from all suits, claims, expenses, damages or losses arising out of any allegations, threats or actions for direct or contributory infringement, or claims of inducement to infringe or any other claimed or alleged violation of such Property Rights, if any.

Place
Stamp
Here

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SCOMM

65:6



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FEB 9

MEMORANDUM

TO: All legislators

FROM: Representative Ramona L. Barnes 

DATE: February 6, 1987

SUBJECT: Foreign Trade

For your information I have attached a copy of the speech I gave on the floor of the House on February 6, 1987. The speech was addressing the issue of foreign trade in Alaska and made several recommendations which may be of interest to you. I hope this information is helpful, particularly when foreign trade issues come up for discussion.

*file under K in
file start
Speeches
file pls
THX.*

SPEECH

2-6-87

Representative Ramona L. Barnes

SPECIAL ORDER SPEECH

FOREIGN TRADE

2-6-87

IT HAS BECOME ALMOST A CLICHE' TO RECITE THE POTENTIAL ADVANTAGE ALASKA ENJOYS BY VIRTUE OF ITS LOCATION ON THE PACIFIC RIM, ITS ABUNDANCE OF NATURAL RESOURCES, ITS RELATIVE POLITICAL STABILITY, AND EVEN ITS ARCTIC LOCATION WHICH GIVES IT ACCESS TO NORTHERN EUROPEAN MARKETS.

IT IS INACCURATE , HOWEVER TO SAY THAT ALASKA IS TAKING FULL ADVANTAGE OF ALL THESE POTENTIALLY BENEFICIAL CONDITIONS. NOT ENTIRELY THROUGH ALASKA'S OWN FAULT, THE ECONOMIC PROGRESS WHICH COULD HAVE BEEN ACHIEVED IN THE LAST FEW DECADES HAS BEEN NEGLECTED, OPPORTUNITIES HAVE BEEN WASTED, AND OUR POTENTIAL FOR DIVERSIFICATION HAS BEEN IGNORED.

THROUGH SOME ECONOMIC TIMIDITY AND A GREAT DEAL OF ENVIRONMENTALIST OPPOSITION, WE HAVE LOST--PEHPAPS FOREVER--ONE OPPORTUNITY TO COMPETE IN MANY MARKETS WHICH WOULD BEEN MADE POSSIBLE BY THE ABUNDANT, LOW-COST POWER WHICH COULD HAVE COME FROM THE SUSITNA DAMS PROJECTS.

WE FALTERED AT A TIME WHEN THE PPOJECT PROBABLY WAS ECONOMICALLY
FEASIBLE, AND IT MIGHT NEVER AGAIN BE SO.

I DO NOT WISH TO CRY OVER SPILLED MILK. HOWEVER, THERE IS MUCH
THAT CAN BE DONE TO DIVERSIFY AND DEVELOP ALASKA'S ECONOMY; THERE
WILL BE NO BETTER FUTURE TIME TO DO IT, AND IT IS THE JOINT SPECIAL
COMMITTEE ON FOREIGN TRADE WHICH SHOULD BE EXPLORING AND PERSUING
THESE POSSIBILITIES RIGHT NOW.

FOR THE BENEFIT OF THE ENTIRE STATE, THE CITY OF ANCHORAGE MUST
BE EXPLOITED AS THE "AIR CROSSROADS OF THE WORLD" IT IS. AT PRESENT
THERE ARE THPEATS TO THAT PRIMACY BY NO LESS A TRADING FOE THAN
RUSSIA WHICH IS SEEKING TO SECUE LANDINGS IN THE SOVIET UNION OF FAP
EAST/EUROPEAN FLIGHTS BY 1990. ALASKA CAN ENCOURAGE INVESTMENT BY
INTERNATIONAL AIRLINES IN HOTELS AND OTHER PROJECTS TO STABILIZE THE
MAJOR TRAFFIC THE CITY NOW HAS AND TO FOSTER AN INCREASE. HOUSE
CONCUPPENT RESOLUTION 6 WOULD URGE THE DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES TO PROMOTE MARKETING OF THE FACILITIES AND
SERVICES AVAILABLE AT BOTH ANCHORAGE AND FAIRBANKS AIRPORTS IN THE
INTERNATIONAL MARKET.

SENATE RESOLUTION 5 WOULD INITIATE THE EFFORT TO ESTABLISH FOREIGN TRADE ZONES NEAR THESE AIRPORTS, BY CREATING A SPECIAL LEGISLATIVE COMMITTEE TO STUDY ISSUES RELATING TO FOREIGN TRADE ZONES AND THEIR DEVELOPMENT.

UP UNTIL NOW THE DEVELOPMENT AND MARKETING OF MINERALS AND OTHER NATURAL RESOURCES TO FOREIGN COUNTRIES HAS BEEN VIRTUALLY IGNORED OR AT LEAST PUT ON A BACK BURNER. ALASKA CANNOT AFFORD THIS ATTITUDE ANY LONGER.

CURRENTLY THERE IS A POTENTIAL FOR A BILLION DOLLAR INDUSTRY IN HARD ROCK MINING, PLACER MINING, GAS, COAL, TIMBER AND SEAFOOD INDUSTRIES. FOR EXAMPLE, MINERAL PRODUCTION IN ALASKA FOR THE YEAR 1985 AMOUNTED TO OVER \$226 MILLION DOLLARS AND EMPLOYED AT LEAST 3,650 INDIVIDUALS. TIMBER PRODUCTION FOR EXPORT PURPOSES IN ALASKA EXCEEDED \$220 MILLION DOLLARS IN 1986 AND EMPLOYED OVER 2,300 ALASKANS. SPEAKING SPECIFICALLY OF OUR FOREIGN MARKETS, JAPAN CURRENTLY IMPORTS ALMOST 100% OF OUR TIMBER PRODUCTION. HOWEVER, WITH THE CHANGE IN CHINA'S ECONOMIC POLICY AND THE OPENING UP OF UP OF TRADE WITH THAT COUNTRY, POTENTIAL MARKETS FOR ALASKAN LUMBER PRODUCTS IN CHINA HAS GROWN TREMENDOUSLY. INDIA HAS ALSO INDICATED AN INTEREST IN OUR TIMBER AS THEIR DEMAND FOR HOUSING HAS INCREASED.