

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILE 8672

1665 SCOMM 65: HOUSE SPEC. COMM. ON FOREIGN TRADE 1989-90

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OUR EXPORT MARKET FOR MINERALS IS CURRENTLY FOCUSED ON COAL WITH THE USIBELLI COAL MINE EXPORTING OVER 600 THOUSAND TONS OF COAL TO KOREA EACH YEAR. THE NEXT 5 - 6 YEARS, HOWEVER, WILL SEE THE MINERAL EXPORT INDUSTRY EXPAND TO INCLUDE: THE GREENS CREEK MINE--WHERE 60 MILLION POUNDS OF ZINC, 25 MILLION POUNDS OF LEAD, 25 THOUSAND OUNCES OF GOLD AND 4½ MILLION OUNCES OF SILVER WILL BE EXPORTED TO CANADA, JAPAN AND OTHER PACIFIC RIM COUNTRIES ANNUALLY. THE RED DOG MINE, WHICH IS ESTIMATED TO COME ON LINE BY 1990, WILL EXPORT OVER 580,000 TONS OF ZINC CONCENTRATE, 112 TONS OF LEAD AND 4 MILLION OUNCES OF SILVER TO CANADA, JAPAN AND KOREA. OTHER MINES WHICH HAVE POTENTIAL IN THE FOREIGN MARKET PLACE ARE THE DIAMOND CHUITNA, PLACER U.S. AND WISHBONE HILL COAL MINES, AS WELL AS THE U.S. BORAX MINE WHICH WILL PROVIDE 13% OF THE WORLD'S MANGANESE PRODUCTION.

AS THESE STATISTICS INDICATE ALASKA HAS THE NATURAL RESOURCES TO EXPORT AND OUR FOREIGN MARKETS ARE WILLING TO BUY THEM. IT IS NOT HARD TO UNDERSTAND THEN, THAT THE KEY TO ALASKA'S FUTURE DEPENDS ON THE CONTINUED DEVELOPMENT OF OUR NATURAL RESOURCES, AND THE STATE MUST ENCOURAGE A POSITIVE ATTITUDE TOWARDS THEIR RESPONSIBLE DEVELOPMENT

THE ECONOMIC BENEFITS OF RESOURCE DEVELOPMENT MUST BE REPRESENTED WITHIN STATE GOVERNMENT. ONE OF THE THINGS THE COWPER ADMINISTRATION NEEDS TO DO IS ENCOURAGE COMPANIES TO EXPLORE AND DEVELOP OUR RESOURCES. FOR EXAMPLE, OUR STATE GOVERNMENT NEEDS TO TAKE A POLICY STANCE THAT IT IS NOT AGAINST THE STATES INTEREST FOR THE PRIVATE SECTOR TO INFACCT DEVELOP. IN THE WORDS OF OUR COMMISSIONER OF COMMERCE AND ECONOMIC DEVELOPMENT, TONY SMITH, WE NEED TO CREATE A CLIMATE IN THE STATE AND "MAKE SOME DECISIONS WHERE WE WILL ALLOW INDUSTRY TO MOVE FORWARD AND GIVE THEM AN OPPORTUNITY TO GO FOR IT"

FOR THE PURPOSE OF ENCOURAGING THIS ATTITUDE IN STATE GOVERNMENT I MAKE THE FOLLOWING SUGGESTIONS:

1- THE LEGISLATURE STRENGTHEN AND RETAIN IN THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT THE ADVOCACY FUNCTIONS PERFORMED BY THE DIVISION OF MINERALS AND FOREST PRODUCTS AND SUPPORT THE MANAGERIAL AND REGULATORY FUNCTIONS PERFORMED BY THE DIVISION OF MINING IN THE DEPARTMENT OF NATUPAL RESOURCES NECESSARY FOR THE EFFICIENT OPERATION OF THE MINING LAWS AND REGULATIONS OF ALASKA.

2- THE ALASKA LEGISLATURE SHOULD CHANGE THE STATUTORY DEFINITION OF MULTIPLE USE TO ACCOMMODATE THE GREATEST NUMBER OF USES ON STATE LANDS TO MAXIMIZE ECONOMIC AND SOCIAL OPORTUNITIES.

3- THE GOVERNOR ESTABLISH REGULAR CABINET MEETINGS FOR THE PURPOSE OF ENCOURAGING MINERAL DEVELOPMENT, ATTRACTING MINING

INVESTMENT TO THE STATE, AND RESOLVING MINERAL DEVELOPMENT ISSUES.

4- THE GOVERNOR DIRECT THE DEPARTMENT OF NATURAL RESOURCES TO MORE STRONGLY EMPHASIZE THE ECONOMIC BENEFITS OF RESOURCE DEVELOPMENT IN ITS POLICIES AND ACTIONS.

5- THE GOVERNOR DIRECT THE DEPARTMENT OF NATURAL RESOURCES TO COORDINATE WITH DEC SO THAT THE PERMIT PROCESS IS MORE EFFICIENTLY RUN AND A "LEAD AGENCY" PRINCIPAL FOLLOW THROUGHOUT THE PERMIT PROCESS.

6- LAND MANAGEMENT PLANS BEING DEVELOPED FOR FEDERAL, STATE AND BOROUGH LANDS MUST ADDRESS TIMBER PRODUCTION GOALS, AND OPPORTUNITIES AND STRESS INTENSIVE TIMBER MANAGEMENT.

7- TO COMPLY WITH THE CONSTITUTIONAL MANDATE TO ENCOURAGE SETTLEMENT OF ALASKA LAND, A LAND DISPOSAL SYSTEM SHOULD BE INITIATED THAT WOULD ALLOW FOR PRIVATE ACQUISITION IN FEE SIMPLE FORESTRY/AGRICULTURE LANDS IN ACREAGES LARGE ENOUGH TO BE ECONOMIC.

8- ONLY 86 EXPLORATORY WELLS HAVE BEEN DRILLED IN OR OFF ALASKA IN THE PAST FIVE YEARS AS COMPARED TO 61,111 EXPLORATORY WELLS DRILLED IN THE U.S. DURING THE SAME PERIOD. CONSIDERING THE PRESENT ECONOMY AND THE HIGH RISKS ASSOCIATED WITH FRONTIER DEVELOPMENT, THIS PACE COULD SLOW FURTHER WITHOUT POSITIVE GOVERNMENT ACTION.

UNDER THE PRESENT ECONOMIC CLIMATE, I WOULD RECOMMEND THE STATE PROVIDE INCENTIVES THAT ENCOURAGE THE OIL AND GAS INDUSTRY TO CONTINUE ITS EXPLORATION AND FURTHER DEVELOP ALREADY DISCOVERED MARGINAL FIELDS.

RESOURCE AND INDUSTRIAL DEVELOPMENT IN THE PRIVATE SECTOR ALSO ENTAILS THE NEED FOR INFRASTRUCTURE AND ECONOMIC INCENTIVE, PARTICULARLY WHEN THE PURPOSE IS TO ENCOURAGE NEW AND EXISTING COMPANIES TO EXPAND THEIR MARKETS TO FOREIGN COUNTRIES. FOR THIS PURPOSE THE PASSAGE OF THE AIDA BILL IS NECESSARY. HB 60 AMENDS TITLE 44 SO THAT THE ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY WILL HAVE THE AUTHORITY, AMONG OTHER THINGS, TO GUARANTEE FUNDING FOR AN ELIGIBLE EXPORT TRANSACTION THROUGH A PARTICIPATING BANKING ORGANIZATION. THE PURPOSE OF THE LEGISLATION IS TO ENCOURAGE PRIVATE INDUSTRY TO DEVELOP MARKETABLE PRODUCTS AND ENTER THEM INTO THE EXPORT MARKET. GUARANTEED FUNDING IS THERE TO PROVIDE THE FINANCIAL BACKUP NECESSARY TO FINANCE NEW CAPITAL VENTURES.

THE MARKETING OF OUR NATURAL RESOURCES AND OTHER GOODS AND SERVICES IS ANOTHER AREA WHICH NEEDS TO BE ADDRESSED BY THE COMMITTEE. WE MAY HAVE THE BEST PRODUCTS TO OFFER THE WORLD BUT UNLESS THEY ARE ADEQUATELY MARKETING THE EFFORT IS FOR NOTHING. IN ORDER TO PROMOTE ALASKA IN OUR TARGETED FOREIGN MARKETS, TO INCREASE AWARENESS OF THE POTENTIAL IN ALASKA AND TO BE ON THE COMPETITIVE EDGE THE FOLLOWING ACTIONS NEEDS TO BE TAKEN:

1- ALASKANS SHOULD BECOME FAMILIAR WITH THE MARKETS THEY SERVE OR SEEK TO SERVE IN ORDER TO SUPPLY THE MOST PREFERRED PRODUCT. ALASKANS SHOULD ALSO LEARN THE CUSTOMS AND LANGUAGES OF THEIR MARKET COUNTRIES SO AS TO ESTABLISH LONG TERM RELATIONSHIPS AND COMMITMENTS WITH THOSE CONSUMERS.

2- TIMELY AND ACCURATE INFORMATION ON THE INTERNATIONAL MARKET AND OUR OWN EXPORT RESOURCES MUST BE SECURED AND DISTRIBUTED TO INTERESTED PARTIES. TO DO THIS THE OFFICE OF INTERNATIONAL TRADE, WITHIN THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT, IS ENCOURAGED TO CONTINUE AND EXPAND ITS INVOLVEMENT IN THE FOLLOWING AREAS:

A- TRADE LEADS, TO MATCH BUYERS WITH SELLERS VIA A WIDE NETWORK OF CONTACTS WITHIN ALASKAN AND FOREIGN BUSINESS COMMUNITIES.

B- MEDIA AND PUBLIC RELATION PROMOTIONS-- TELEVISION

INTERVIEWS, NEWSPAPER ARTICLES, TRADE SHOWS AND TRADE
MISSIONS SHOULD BE USED TO PROMOTE AND PUBLICIZE
ALASKA'S MARKET POTENTIAL.

C- TECHNICAL MARKETING SUPPORT CURRENTLY PROVIDED BY THE
OFFICE OF INTERNATIONAL TRADE SHOULD BE OFFERED TO BOTH
LOCAL GOVERNMENTS AND PRIVATE ENTITIES WHO HAVE A NEED
FOR TECHNICAL ADVICE ON POSITIONING THEMSELVES IN THE
WORLD MARKETPLACE.

ADDITIONALLY, THIS LEGISLATURE SHOULD LOOK INTO CREATING A DATA
BANK OR INTERNATIONAL TRADE CENTER WHICH WOULD PROVIDE THESE TYPES OF
SERVICES BUT ON A MUCH WIDER SCALE.

A FEW OTHER AREAS ON THE TOPIC OF FOREIGN TRADE ARE WORTH
MENTIONING.

1- ALASKA OCCUPIES A GEOGRAPHICALLY STRATEGIC POSITION WHICH
HAS LED TO STATE OF THE ART TECHNOLOGIES SUPPORTING VARIOUS RESOURCE
SECTORS. MANY SERVICES HAVE EVOLVED IN RESPONSE TO INDUSTRIAL
EXPANSION AND IN MOST CASES ALASKAN PRIVATE INDUSTRY POSSESSES
SCIENTIFIC AND TECHNOLOGICAL CAPABILITIES BEYOND THOSE OF THE LOWER
48 STATES OR FOREIGN COUNTRIES.

KEEPING THIS IN MIND, WE NEED TO ENCOURAGE OUR TALENTED AND TECHNICALLY ADVANCED PEOPLE TO START MARKETING THEIR TALENTS, AND TO START COMPETING IN THE WORLD MARKET FOR CONTRACTS AND PROJECTS FOR WHICH THEY ARE THE WORLDS EXPERTS.

2- THE STAFF WITHIN THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT SHOULD BE ENCOURAGED TO INCREASE ITS EXPERTISE IN THE USE OF BARTER TRADE SO THAT WE WILL BE IN A POSITION WHERE WE CAN TRADE OUR GOODS AND SERVICES WITH OTHER COUNTRIES FOR THE GOODS AND SERVICES WE NEED (I.E. TIMBER FOR JAPANESE CARS, HEAVY EQUIPMENT AND SUCH). REVERSE TRADE AND COUNTER TRADE OPPORTUNITIES SHOULD ALSO BE EXPLORED BY THE DEPARTMENT.

3- THE REPEAL OF THE FEDERAL BAN ON ALASKA NORTH SLOPE OIL EXPORTS IS A MEASURE HARDLY WORTH MENTIONING AS WE ALL UNDERSTAND THE IMMEASURABLE BENEFITS WE WOULD RECEIVE SHOULD THE BAN BE LIFTED. HJR 13-- A RESOLUTION WHICH ENCOURAGES THE U.S. CONGRESS TO LIFT THE BAN, SHOULD BE PASSED BY THIS LEGISLATURE WITHOUT DELAY.

LAST, NO SPEECH ON FOREIGN TRADE WOULD BE COMPLETE WITHOUT AT LEAST MENTIONING THE IMPORTANCE OF JAPANESE TOURISM IN OUR ECONOMY. NOT ONLY IS THERE A SHORT TERM BOOST TO OUR ECONOMY FROM THE TOURIST BUSINESS, BUT THE LONG TERM PROSPECTS FOR PACIFIC RIM BUSINESS ARE WORTH POINTING OUT.

BY SHOWING THE JAPANESE OUR STATE, AND ITS POTENTIAL FOR FUTURE TRADE, WE WILL HAVE OPENED INNUMERABLE DOORS TO FUTURE TRADE NEGOTIATIONS AND WE WILL BE ON OUR WAY TO MARKETING IN THE PACIFIC RIM AS NEVER BEFORE. TO THIS END, THE STATE TOURISM OFFICE IS ENCOURAGED TO ACTIVELY SOLICIT JAPANESE TOURISTS SO THAT WE MAY ALL BENEFIT FROM THEIR PRESENCE. ADDITIONALLY, TO ENCOURAGE OUR PACIFIC RIM TOURISTS TO TRAVEL IN ALASKA, ALL NEW AND EXISTING VISITOR FACILITIES SHOULD HAVE MULTILINGUAL SIGNS AND INTERPRETIVE TOOLS. THESE INTERPRETIVE TOOLS MUST INCLUDE ADEQUATE REPRESENTATION OF ALL ALASKA'S RESOURCE SECTORS. DEVELOPMENT INTERESTS SUCH AS THE TIMBER, FISHING, MINERAL, OIL AND GAS INDUSTRY SHOULD PROVIDE INTERPRETIVE FACILITIES AT KEY LOCATIONS AROUND THE STATE TO HELP THE VISITORS UNDERSTAND THEIR PIVOTAL ROLE IN THE ECONOMY, HISTORY AND CULTURE OF ALASKA.

THANK YOU FOR THIS OPPORTUNITY TO MAKE THESE COMMENTS ON FOREIGN TRADE TODAY. I HOPE THESE AND OTHER ISSUES WILL BE ADDRESSED BY THE HOUSE SUBCOMMITTEE ON FOREIGN TRADE, AND THIS LEGISLATURE IN THE NEAR FUTURE.

SCOMM

65:7

TO: Governor Steve Cowper
Don Dickey, Director, Division of Tourism
Mary Tuten, Director, ASMI
Dan Dixon, Director, International Trade

FROM: Jane Angvik *Jane Angvik*

SUBJECT: Venezuelan Trade Visit 6/24/87-7/12/87

DATE: July 15, 1987

Attached please find my report on the trip I undertook as the State's representative to Caracas, Venezuela in early July. In addition to joining the U.S. Ambassador to Venezuela, Otto Reich, at the opening ceremonies of the Alaskan gastronomical event at Members Restaurant, I also met with tourism representatives, promoted Alaska through interviews with the media and met with trade personnel regarding the potential markets for Alaska seafood on the Island of Margarita, which is a duty-free port, 45 minutes from Caracas.

The major outcomes of Alaska participation in this public/private festival are:

1. Alaska has an exceedingly high profile among the residents of Caracas. Press reports of the gastronomical festival, features on different members of the delegation or the glacier ice or the seafood ran in all newspapers and television and radio stations in Caracas throughout the period of June 30-July 18th. As the U.S. Ambassador stated, "More people in Caracas know that Alaska exists and Steve Cowper is the Governor, than know I am the Ambassador."
2. Members Restaurant served Alaskan seafood to over 2,500 of the wealthiest and most influential residents of Caracas in an 18-day period. They paid an extraordinarily high price for it and are prepared to pay again to have access to more Alaskan seafood.
3. Tourism promotion has, to date, resulted in a confirmation of 12 hunters who will be coming to Alaska in September to hunt moose and bear. These gentlemen will be traveling by private Lear jet and are anticipated to spend \$8-12,000/person during their stay.
4. The Commerce Director of the U.S. Embassy, Kenneth Moorefield, is pleased to have cooperated with Alaska in this festival and looks forward to continued communication in an effort to spur business development between the two areas.

The major follow-up to be conducted includes:

1. Coordination to insure Alaskan presence at the Trade Fair at Margarita Island, August 28-30, 1987, sponsored by the U.S. Embassy. (I have initiated conversations with Stan Hajenga and Rick Sewell to coordinate private producers of "high-end specialty seafood products" to be represented. Additionally, high-end big game packages should also be presented so that tour promoters have information on

whom to contact in Alaska.) The U.S. Embassy expects an Alaskan presence to build on the two weeks of publicity which has occurred in July. This is the first such effort of the U.S. Department of Commerce to promote American products which are now readily accessible to a market of over 18 million people through this duty-free port.

2. Thank you letters to both Alaskan and Venezuelan people who assisted in making the festival successful. Some should be signed by the Governor. Angvik compiling list and drafting letters.

3. Write a thank you follow-up for publication in the newsletter sent to the 3,000 members of the restaurant. The letter should inform the members where they can get more fish and how to arrange for trips to Alaska. The letter should be translated into Spanish and transmitted to Jean Paul Coupal ASAP. Angvik will draft.

4. Tourism Division should consider sending a representative to Miami November 1-6 to attend the AVAVIT (Asocion Venezoland de Agencias de Viajes y Turismo) Annual Convention. The top tour promoters of Venezuela are interested in Alaska as a destination and would like to set up a FAM trip for Alaska representatives after the November meeting in Miami.

5. Continue to explore the potential for educational seminars sponsored by the State/University of Alaska on high tech land surveying techniques with Rick Riddle and Dan Dixon. (Rick Riddle is in Venezuela and available to assist on the Venezuela end.)

TRIP REPORT
Alaska Extravaganza in Venezuela
Jane Angvik
July 15, 1987

Background

Plans for a joint USA/Venezuelan celebration of national Independence Holidays (July 4 and July 5) were initiated by local Caracas restaurateur, Jean Paul Coupal, in May, through conversation with Eric Ekvall, a former Alaskan. Mr. Coupal had conducted previous thematic festivals at his restaurant, including Indian and Greek themes. Jean Paul coordinated efforts by traveling to Juneau in May where he met with Don Dickey, Division of Tourism, Mary Gore, ASMI, Sandro Lane of Taku Smokeries and talked with Stan Hajenga of the Commercial Fisheries Division of the Department of Commerce. Through the efforts of all of these people it was agreed that 4,000 pounds of Alaska seafood, tourism promotional materials and a huge chunk of glacier ice would be transported to New York where they would be transferred to AVENSA Airlines on June 26. Additionally, Mr. Coupal had secured the services of Alaskan chef, Jens Hansen and Anchorage jazz pianist, Igor Agisheff to come to Caracas to perform for the duration of the festival from July 1-July 18.

It was not until Tuesday, June 16th, that I was called by Eric Ekvall and requested to:

1. Request the Governor to send a personal representative, preferably me. If not me, someone who could promote Alaska with grace, such as Michael Cowper.
2. Request the Governor to write a letter to U.S. Ambassador Reich officially identifying the Alaska delegate.

I was not aware until I arrived in Caracas that the very rushed request for an official State delegate was in response to concerns raised by the U.S. Embassy about extending its duty-free privileges to include this fish for a solely private operation. The Embassy wanted a government to government relationship with the State in order to justify using its international privileges of unrestricted imports. This snag apparently came up at the last moment in conversations between the Embassy and Jean Paul Coupal, which explains the rushed nature of the request.

On June 17th, I spoke with Kelly Hegarty, Department of Commerce, who spoke with Ray Price, who spoke with Pete Jeans about the proposal. A memo was written that described the project and a letter was drafted for the Governor's signature. My travel plans were made with the cooperation of the Governor's office on June 22nd. On Tuesday, June 23rd, I spoke to both Governor Cowper and Patty Kastelic about the project when I saw them at a social event that evening. On Wednesday, June 24, Charity Kadow gave me the Governor's letter and a T.R. for Anchorage-New York-Anchorage which was signed by the Department of Commerce. On Thursday, June 25, I departed Anchorage at 8 a.m., arriving in New York at 9:30 p.m. On Friday, June 26, I met with Jean Paul Coupal at the airport where we boarded AVENSA for Caracas at 8:30 a.m. - AVENSA donated the round trip air fare between New York and Caracas.

Jean Paul Coupal secured the cooperation of UPS to transport the fish and the glacier ice to New York. Stan Hajenga coordinated the acquisition of the glacier from the Whittier area and the movement of the 4,000 pounds of fish from Alaska Airlines to the UPS plane. Mr. Hajenga performed these services in spite of significant lack of cooperation on the part of Alaska Airlines. It is only through his personal perseverance that the fish was delivered to the UPS flight.

Mary Gore and Don Dickey sent large amounts of promotional materials to New York, most of which arrived in time for the festival. The Caracas end of the operation has nothing but great PRAISE and expressions of appreciation for the Alaska staff effort.

Venezuela is the wealthiest country in Latin America due to its massive oil reserves. It has been a democratic nation for over 25 years and is founded on a capitalistic economic system. The majority of the population are European immigrants who came to Venezuela in waves before and after various European revolutions and wars. The principal language is Spanish. The currency, Bolivars, has a current exchange rate of 29Bs to \$1 dollar.

The decline in the price of oil has had a significant and negative effect on the Venezuelan economy. Inflation is approaching 50%, over recent years, the currency has been devalued from 4B/\$1 dollar to 29B/\$1 dollar. The government's response to this situation has been to prohibit a large number of imported luxury items in an effort to keep the Venezuelan currency in the country. In spite of these efforts, it is estimated that some 9-10 billion Bolivars are currently "off-shore" somewhere in the world.

In my opinion, the economic conditions of Venezuela has resulted in the upper class moving from incredibly wealthy to mildly wealthy. There are still large amounts of disposable capital to be attracted to Alaskan products and trips. And, Venezuelans are accustomed to having the very best that the world has to offer and to traveling extensively throughout the world. I was told that in 1983, at the height of oil prices, that 60% of the Venezuelan population traveled to Miami to go shopping. In a country of 20 million people with an 85% literacy rate, that is a lot of wealth!

The current conditions have generated a lot of discussion about the need to "diversify the economy," and Venezuela business people are interested in exploring any high tech tools that can promote diversification. Labor costs are very low. Electricity is literally "penny cheap" due to the presence of the second largest hydro project in Latin America. (All electricity is generated from hydro power.) And high octane gasoline is \$.19/gallon and most cars have V-8 engines, American designs and manufacturers which are locally produced. The electric current is the same as North America, and the VHS/BETA are the same timing rates as the U.S. BETA is the most common format of video materials.

Unlike any other Latin American country, Venezuela has an identifiable and growing middle class. While 10% of the population remains destitute, and

another 20% constitutes the working poor, there is a solid 50% who are middle class with comfortable residences, cars, TVs and, for some, the capacity to send their children abroad for a university education.

The remaining 20% are the upper class and are the target market for Alaska products and Alaska tourism. They may even be potential investors in Alaska development projects. While these people are accustomed to traveling to the U.S. or Europe to acquire the goods of foreign nations, this year they are more likely to remain in Venezuela and travel the 45 minutes to the Island of Margarita, where many of the desirable "luxury items" are available because of the duty-free status of the island. There is an average of 12 flights per day at the overwhelming cost of \$22 round trip. Having traveled to Margarita, I am aware that people from Caracas are going shopping and returning with case lots of certain items, which seems to cause no difficulty with local customs officials. (There are no customs personnel at the domestic terminal from which all these flights depart.) Therefore, while Alaska seafood is currently prohibited from import to Venezuela, it is completely legal in Margarita and from there available to a market of 18 million visitors, annually!

The Trip

The purpose of the trip was to represent the state at the "Alaskan Gastronomic Festival" sponsored by "Members Restaurant" in Caracas, Venezuela from July 2-18. I arrived in Caracas on Friday, June 26, in the company of Jean Paul Coupal, the owner of Members Restaurant, and from Anchorage, Jens Hansen the chief and Igor Agisheff, a jazz pianist. We were also accompanied by a Venezuelan film crew that was covering the arrival of the delegation, the fish and the glacier ice for Members. We were whisked through customs and immigration and were winding our way inland to Caracas within 20 minutes of landing. By 2 p.m. we were in Caracas, a city of 4½ million souls that had boomed from a population of 400,000 within the last 20 years. The weekend was devoted to getting accustomed to the heat (90°, 60% humidity), the Eastern time zone and local habits, such as everything but restaurants closed from 12-2:30 p.m. and the evening meal not starting until 10 or 11 p.m. On Saturday evening I met informally with Ken Moorefield the Commerce Director of the U.S. Embassy. We discussed the activities that had been planned for the coming week as well as receiving an overview on Venezuela and the protocol of Embassy/Venezuela relations.

On Monday, June 29, I met with U.S. Embassy personnel, Jean Paul Coupal and Eric Ekvall to review the agenda for the week. Major events included:

Monday	6/29	2 p.m.- Review videotapes to prepare clips for T.V.
Tuesday	6/30	10 a.m.-12 noon - Press Conference 4 p.m. - Meet with Ambassador Otto Reich
Wednesday	7/1	11 a.m. - Set up Alaska displays at Members 7:30 p.m. - Grand Opening of Festival of Members

Thursday	7/2	8:30 a.m. - Tourism presentation to Venezuela "Visit USA Committee" of National Tourism Division 2:30 p.m. - T.V. Interview 7:30 p.m. - Reception Ambassador's residence; meet with President of Venezuela.
Friday	7/3	9:30 a.m. - Press interview - The Daily Journal
Sunday	7/5	10 a.m. - Preside with President's wife at the unveiling of glacier ice at the Children's Museum.
Monday	7/6	12 noon - Photo session for the Sunday paper, magazine supplement
Tuesday	7/7	12 noon - lunch with American Express and AVENSA representatives about tourism.
Wednesday	7/8	6 a.m. - to Margarita Island 8:30 - meet with merchants association about Alaskan seafood 10:30-12:00 - Visit shops 9 p.m. - dinner with Caracas hunters who plan to come to Alaska.
Thursday	7/9	8 a.m. - Debriefing with U.S. Ambassador Reich and Ken Moorefield 12 noon - Lunch with Jean Paul Coupal 4 p.m. - Leave Caracas for New York City
Friday	7/10-11	Minneapolis
Sunday	7/12	To Anchorage

On Monday, June 29th, all of the above schedule was not known. However, we did know about the first press conference, the opening night, the Ambassador's reception, and the Children's Museum. I met with the press attache and his staff, the protocol officer (who continuously reminded me that the Ambassador was a political appointee, not a Diplomatic Corps designee, i.e. do not say anything disparaging about President Reagan), the Commerce staff who advised me about the August Trade Fair and how to contact the merchant's association at Margarita. I also talked with the cultural attache about setting up a concert series for Igor Agisheff and requested a meeting with the Minister of Indian Affairs to discuss the indigenous people of Alaska and Venezuela (no luck in setting up that meeting.)

The Embassy personnel agreed to clip all press related to the Alaska event and to record all T.V. appearances so we may have a complete set of press materials. These will be sent to Alaska after July 18th. Additionally, the Commerce people set up the meeting with the Venezuela tourism people.

After a complete morning of "planning," at the Embassy I went with Jean Paul to Members, reviewed the videotapes provided by the Division of Tourism and the ACVB so I was familiar with their content. I then worked with a film producer to try to convert the VHS tapes to BETA format and to see if it was

possible to edit them to one ten-minute segment. (This didn't work due to mechanical difficulty.)

That evening all the Alaskans met for dinner at Members. Sandro Lane from Taku Smokeries of Juneau had arrived that afternoon. We met other Venezuelans who kindly prepared us for the laissez faire methods of the Venezuelan press.

Tuesday, June 30th, the Alaskan delegation was prepared to start a press conference at 10 a.m. However, the reporters were not present. It seems that "10 a.m." means anywhere from 10 until noon in Caracas. Therefore, I had eight different interviews with members of the press as they sauntered in. The Embassy had provided a translator, who was very helpful. A T.V. interview was conducted with Nelson Bokeranda, who was described as the "Phil Donahue or Johnny Carson of Venezuela." Since Mr. Bokeranda had previously worked as a simultaneous translator at the U.N., he conducted the interview and translate my response simultaneously!

That afternoon I accompanied Jean Paul to a couple of residences from which Alaska game trophies were borrowed. It appears that some people from Caracas have already traveled to Alaska, since we collected 2 moose heads, 2 dall sheep, 2 grizzly bears and one polar bear.

At 4 p.m. I returned to the American Embassy, where I met with Otto Reich, the American Ambassador. He is a young man, whose office is filled with photographs of Mr. Reich and President Reagan. We had a pleasant exchange about similarities between Alaska and Venezuela, and on behalf of the Governor I presented him with an Alaska flag pin and a walrus pin. (Supplied by Vic Fischer.) In return, he provided me with a pin of the U.S. and Venezuela flag for the Governor. The Ambassador has never been to Alaska, but is quite intrigued with the idea and hopes to come during his next trip to the states. The purpose of our meeting was to get acquainted before we stood in a reception line for 3 or 4 hours the following day.

That evening we had dinner in the home of a friend of Eric Ekvall and met a cross-section of Venezuela elite, from bankers and insurance brokers to film makers and actors.

Wednesday, July 1st, was devoted to preparing the displays of Alaska materials at the restaurant. I had brought several Yupik baskets and 5 Native masks, as well as the Jim Barker set of photographs of life on the Kuskokwim River. Additionally, Jean Paul had an enlarged set of still photos of his trip to Juneau and the helicopter ride to the Mendenhall Glacier. By 7:30 p.m. all Alaskans were appropriately attired and prepared to meet the 800 plus guests who came to the opening reception of "Alaska at Members - A Gastronomical Event!"

Ambassador Reich and his wife, I, and Jean Paul stood in a reception line for 3½ hours. We officially unveiled the glacier and gave brief speeches about the shared national holidays of our 2 countries. I believe I met the president of every major corporation in Caracas and several Ambassadors to Venezuela. After

the reception line, I spent all night answering questions about Alaska and encouraging people to come and to see it for themselves. The videotapes provided by the Tourism Division and ACVB were shown on a large screen. The other commercial sponsors of this event were AVENSA Airlines, American Express and a local bank, "Banco Consolidado." All the principals agreed that the kick-off reception was a great success.

At the unmerciful hour of 8 a.m., Ken Moorefield picked me up on Thursday, July 2nd. I had caught a cold since being in the tropics and my voice was failing me prior to delivering a major address to the top 27 tour leaders of Venezuela.

With the help of a lot of hot lemon water, I was able to make a 30 minute presentation, to then show the Division of Tourism VHS and to answer questions. The group I addressed was the "Visit USA Committee" of the Association of Venezuelan tourist agencies. The meeting was chaired by Louis Santamaria, who is the Regional Director of the U.S. Travel and Tourism Agency and who is based in Mexico City. He travels to Caracas quarterly for these meetings, and my visit happened to have coincided with their schedule. The persons in attendance represented the following organizations: Hyatt Hotels, Hilton Hotels, Intercontinental Hotels, Sheraton Hotels, Pan Am Airlines, VIASA Airlines, LAV Airlines, AVENSA, Hertz Car Rental, Alamo Car Rentals and 8 travel agencies.

The question and answer session revealed the concern that Alaska was too far away. However, after it was clarified that it was quite close from Europe and Asia, and that Northwest Airlines had a special fare for foreigners under its "See American Program" of \$250 round trip from New York City to Anchorage, there was a greater enthusiasm for directing their clients to Alaska.

Various members of the committee strongly encouraged Alaska to send a representative to the National Convention of Venezuelan Travel people in Miami on November 1-6, 1987. They felt that there was clearly a market for Alaska among Venezuelans and that a FAM tour could be arranged for Alaska to see and understand Venezuela. Hopefully, a return trip could be arranged for next summer to Alaska. Most thought that they could package Alaska with another west coast destination, such as Disneyland. Additionally, they provided me with written information about the travel patterns of Venezuelans and how to best market to the "high end" tourists of their country. These materials will be provided to the Division of Tourism.

At 11:30 I went to a T.V. station for a brief interview about Alaska tourism and seafood. That afternoon I went to a doctor for assistance with a cold and other tropical ailments that had befallen me. Although he gave me lots of pills, he did say it was a tropical virus and largely untouchable by antibiotics. So, I went to bed to prepare for the next event -- the reception at the Ambassador's home that evening at 8 p.m. This party is an annual event and the one social function the U.S. Embassy hosts each year. In addition to the same 800 people I had met the night before, there were also several generals and other members of the international community. I was literally passed from

group to group as the walking expert on Alaska. The hunting trip actually started at this function and grew in numbers as the night progressed.

The highlight of the evening was meeting the President of Venezuela, Jaime Lusinchi. He was talking with Eric Ekvall, who serves as the political advisor to the President, when I was summoned over by Eric. Both Eric and Ambassador Reich were simultaneously introducing me to President Lusinchi as the "Alaskan Ambassador." He said he had heard about the festival at Menem's and hoped to get a chance to have dinner one night during the Alaskan Festival. We talked about the difficulties of diversifying economies which had become so dependent on oil production. He said he would love to come to Alaska. On behalf of Governor Cowper, I gave him an Alaskan flag pin and walrus pin which he insisted I put on him. (The Ambassador called for a photograph of this and I am told it will be forthcoming.) I then asked a small favor - could he influence his OPEC brothers to raise the price of oil. He smiled broadly and suggested that Alaska come and join OPEC. Noticing the discomfort of the Ambassador, I declined his kind invitation and reminded him that Alaska's point of view is not always the national view and that (difficult as it was to imagine) there were people in the U.S. who did not want oil prices increased. He said he hoped that the price would increase soon so he could relieve the import prohibitions and have access to Alaska crab all the time. He then said that he thought Governor Cowper was very wise to send a woman as an Ambassador, because it was difficult to deny any request. He concluded by saying that he would be thinking of his neighbors to the north when he gave instructions about the next round of OPEC negotiations.

I have no idea if any of this will make any difference in determining the international price of oil or in lifting the embargo on Alaskan seafood, but if either of these events occur within the remaining 2 years of President Lusinchi's term, I'll think I may have had something to do with it!

In the morning of Friday, July 3, I had a press interview with an English speaking reporter from The Daily Journal. She was particularly interested in learning about Alaska Native people. Thus, 2½ hours later, she had received a lecture on ANCSA and American Indian Policy and the enclosed story is the result. Several reporters were interested in the Native people of Alaska and compared their situation to the indigenous Indian people of Venezuela.

Friday afternoon and Saturday, I collapsed on the beach!

Sunday, July 5, I returned to Caracas to be present for the opening ceremony of the glacier ice at the Children's Museum. The ice had been moved so that the children of Caracas could see and touch the ice on two consecutive Sundays. I opened the event with the President's wife and watched hundreds of children file past to touch the blue ice!

On Monday, July 6th, I visited the clothes factory that is owned and operated by Eric's wife. The product is well made and currently marketed primarily in Venezuela and Europe. She hopes to enter the American market this year.

At noon I returned to Members for a photo session for the magazine session of the Sunday paper. The Alaskan delegation, complete with King salmon, glacier and a polar bear, are to be featured on the cover on the July 12th edition! After 1½ hours and more photos than were taken at my wedding, the session subsided.

On Tuesday, July 7th, I met with Jean Paul and the other commercial sponsors of the festival -- the President of American Express Co., AVENSA Airlines and a representative from Banco Consolidado. I asked for their perceptions on our ability to market Alaskan seafood through Margarita and to secure Venezuelan travelers for Alaska. The consensus of the meeting was that the festival had been so successful that Caracas residents were definitely prepared to purchase more if it was available in Margarita. Similarly, they felt that hunting safaris to Alaska, as well as other package tours that may include a west coast city, would be very popular among other Venezuelans. People had simply not thought of going to Alaska prior to the festival.

On Wednesday, July 8th, I flew to Margarita and met with a merchant's association at 8:30 a.m. They described the ease with which the duty free goods can be transported to Margarita and the characteristics of the annual 18 million visitors to the island. While all come looking for a savings, the principal characteristics are shoppers who are wealthy, from Venezuela, Caribbean nations or the United States. They know top of the line products including food, wine, clothes, perfumes, jewelry, etc. Most thought that Alaskan seafood would be a very popular item. After the presentation and questions and answers, I visited several shops and saw the combinations of foods and beverages that are currently offered. I then spent the afternoon on a glorious, white sand beach. That evening I returned to Caracas and had dinner with some of the gentlemen who plan to come to Alaska in September to go hunting. Which I am not personally knowledgeable of the best facilities and guides in the state, they had already found several names that other Caracas hunters had used. I am sure that when they come they will spend several thousand dollars per person and expect to be treated like kings. I am told that we can accommodate such expectations. I believe if these 12 have an extraordinarily good time, that other "high end" hunting parties are sure to follow.

Thursday, July 9th, was my last day in Caracas. I met with the Ambassador and Ken Moorefield in the morning. Because a U.S. aircraft carrier arrived that day, the press corps had not had time to put all the clippings or the video tapes together. They will be sent later. The Commerce Director was most anxious that Alaska have a presence at the Embassy sponsored Trade Fair on Margarita August 28-30. He felt that Alaska would really have an edge on all other American locations because of the incredible volume of press coverage that the Festival had received. We also discussed longer term opportunities such as providing technical assistance in enhancing Venezuela's fishery and "fish farming" as well as Rick Riddle's ideas about technical seminars on rural development. (Rick Riddle is another transplanted Alaskan who works in Maracaibo, the oil capital of Venezuela. He has extensive experience in survey operations in Alaska, on the North Slope, and is eager to initiate high tech

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training seminars in the use of satellite generated data for surveying. He has spoken with Dan Dixon about a possible educational program.) Ken Moorefield was very interested in the concept and will meet with Rick Riddle after I leave.

Similarly, the Commerce people hope that Alaska will follow up on the national convention of the Venezuelan tour operators in Miami November 1-6. The Embassy will happily be of service in any way it may be helpful. We parted with the knowledge that we will encounter one another in the future.

At noon I had lunch with Jean Paul and reviewed all the promises for press packets to be sent to Alaska as well as the return of all my baskets, masks and photos upon the conclusion of the festival. He could not have been more complimentary of the cooperation he had received from all the Alaskan staff people and asked me to personally convey his thanks to Stan Hajenga and Mary Gore and Don Dickey. He indicated that he was apprehensive in the beginning, but that all of Eric Ekvall's bravado about Alaskans turned out to be true.

At 4 p.m. I boarded AVENSA for New York City and slept for the next two days between visits with my family in Minnesota. I returned to Alaska on Sunday, July 12th.

Conclusions

Venezuela has a great deal of potential as a market for Alaska products and as a source of potential tourists. While the process for drawing these conclusions may not have been as orderly as some may have wished, the facts remain that there is disposable income which could come our way.

Recommendations

1. Strongly recommend that the State cooperate with the private sector to encourage the presence of Alaska products at Margarita. I believe that the price of oil will increase in the future and that the ban on seafood imports will be lifted. It is, therefore, important that the products be locally available to build on the appetite that has been whetted by the festival.

2. While the Division of Tourism statistics may reveal that out of the thousands of visitors only 500 people from Venezuela visited Alaska last year, it begs the questions of - what kind of tourists were they? (high end/cruise ship) and how many more Venezuelans could we attract? I would argue that "high end" hunting safaris (as they were called by those whom I spoke with) are extremely attractive to people from Venezuela. I would also include game viewing, not just hunting, as another type of experience that these people are willing and able to purchase. Most have exhausted the African hunting and viewing opportunities and regard Alaska as extremely exotic. Therefore, I strongly recommend that Alaska have a presence at the November 1-6 Venezuelan Tourism Convention in Miami. The convention will be held at the Miami Airport Hilton Hotel. The Executive Director of the association is Ms. Carmen Ofelia

Damas, who can be reached at the following telephone numbers: 582-781-2310 or 582-781-2487. Additionally, the U.S. Embassy will provide the telex and fax numbers for the tourism association to ease communications.

3. Rick Riddle, who is an American located in Maricaibo and a former Alaskan, is interested in setting up technical seminars on new high tech methods of land surveying. He has worked at Prudhoe Bay with Bud Herschback and ITech, Co. and hopes to transfer some of our industry knowledge to industry representatives of Venezuela. He indicated to me that he had been in contact with Dan Dixon and Ron Cockrin of the University of Alaska about preliminary plans for a training program. I recommend that the state and educational institutions continue their efforts to support an Alaskan offering of technical seminars on rural development in Venezuela.

In conclusion, I view Venezuela as an opportunity for Alaskan entrepreneurs. It has the potential to be a significant market and may eventually become a source of development capital for Alaska projects. It is closer than we generally think and it is ripe for exploration by Alaska.

Festival gastronómico La cocina de Alaska se mudó a Caracas

Los preparativos se están haciendo con todo cuidado y se han traído los alimentos más exquisitos. Una muy buena oportunidad para saborear los encantos culinarios de esa región.



Los "aleutas" fueron la tribu que bautizó a la región como: Alaska, la "Gran Tierra".

Conocer Alaska, con su sol de medianoche en verano, es una experiencia inolvidable y emocionante que se siembra para siempre en cada visitante. Sus picos de nieves eternas, volcanes, glaciares y tundras acogen la fauna típica: osos, caribúes, focas, alces, salmones, y una población de casi medio millón de habitantes formada principalmente por esquimales, indios y "aleutas". Fue justamente esta última tribu la que bautizó a la región con el único nombre en el que cabía su grandeza: Alaska, la "Gran Tierra".

Jane Angvik, embajadora comercial del Estado de Alaska; Jens Hansen, chef de "cuisine" del restaurante "Crows Nest" de Anchorage y el pianista Igor Agisheff tienen plena conciencia de los encantos del salvaje y sobrecogedor mundo ártico, y han unido sus talentos para conquistar a Caracas y promover las relaciones comerciales y culturales entre el Estado "más al norte de Estados Unidos" y Venezuela. Como abrebo-cas, preparan una singular presentación y un inusual festival gastronómico de frutos del mar de Alaska.



La población de Alaska es de casi medio millón de habitantes.

que se realizará desde mañana hasta el 18 de julio, en el club Member's.

Los preparativos se están haciendo con todo cuidado y se han traído los alimentos más delicados de esa región: salmón ahumado, "King Crab", Halibut, una especie de mero típico de los mares nórdicos. Esta es una oportunidad extraordinaria para saborear los encantos culinarios de Alaska.

Hay intercambio turístico

Lo mejor de Alaska está en Caracas

Gracias a Avenza, el club Member's, la embajada de USA y la tarjeta American Express, se puede apreciar lo mejor de la comida, música y fotografía de esa región del norte de América.

Gracias a la participación de Aerolíneas Venezolanas S.A. (Avenza); a la embajada de Estados Unidos de Norteamérica y a la tarjeta de crédito American Express, se ha logrado propiciar un intercambio cultural, turístico y gastronómico entre Venezuela y Alaska.

Desde ayer el club Member's se ha convertido en la sede de las exquisiteces del King Salmón, el King Crab y el Halibut; ricos platos preparados por el chef Jens Hansen del restaurant "Crow's Nest" de Anchorage, capital de Alaska.

Avenza, la más internacional de las redes aéreas nacionales, fue la encargada de realizar el transporte, tanto de los manjares como de los artistas que formarán parte de este festival. Tam-

bién fue Avenza la que transportó en perfectas condiciones "la roca glacial", una de las mayores atracciones de este festival.

En el "encuentro" gastronómico no sólo se degustarán los mejores platos típicos de la cocina alaskaña, sino que también se conocerá su música y, a través de una excelente exposición fotográfica, se podrán apreciar las bellezas y riquezas naturales de esa región, con el fin de propiciar el intercambio cultural y turístico entre ambas poblaciones.

Uno de los invitados a este intercambio, será el pianista Igor Agisheff, quien se ha destacado "como un concertista inusual", según la crítica norteamericana.

La cita es entonces en el club Member's, hasta el 18 de este mes.

En Member's hace frío

Alaska invita a la mesa

Las fotografías son de Nelson B. Castro en "Member's".



El Halibut, las tenazas del King Crab y el salmón, fresco y ahumado.

En el Club Member's, Jean Paul Coupal ha recibido a los más famosos, platos de la legendaria gastronomía de Alaska. Allí junto a un trozo de glacial, cangrejos y especialidades marinas serán la orden del día hasta el dieciocho de julio.

El norte glaciar llega a Caracas como una de las primeras iniciativas del equipo comercial de Estados Unidos. Tenazas de cangrejo (King Crab) traídas directo desde Alaska, "halibut" (especie de mero de los mares nórdicos), salmón ahumado y otras delicatesses típicas podrán ser degustadas por el público venezolano. Y es que los fabulosos platos serán preparados por Jens Hensen, chef del restaurante "Crow's Nest" (el Nido del Cuervo), uno de los más famosos de Anchorage, quien estará en Venezuela

para brindar sus especialidades en el club Member's hasta el 18 de julio. Este evento cuenta con los auspicios del Estado de Alaska, Avenso, Banco Consolidado, a través de su tarjeta American Express, el Club Member's y la embajada de Estados Unidos. La gala Inaugural del festival gourmet de Alaska contó con la presencia de funcionarios del gobierno de Alaska y distinguidas personalidades nacionales. Además de poder degustar las especialidades del estado más norteño de Estados Unidos, los invitados tuvieron la oportunidad de ver y tocar un trozo de glaciar "Blue Rock", traido directamente desde Alaska, que formó parte de la decoración el salón principal del Member's.

La presencia de esta embajada gastronómica constituye un hito en Venezuela, así lo expresa Jane Angvik, embajadora comercial del Estado de Alaska. El acercamiento de ambos pueblos a través de la presentación del universo gastronómico de Alaska, rasgo cultural de importancia, representa un esfuerzo del Gobierno de Estados Unidos y en particular del gobierno del Estado número cuarenta y nueve de la Unión.

para ensanchar y fortalecer las relaciones comerciales.

Los detalles de la cultura gastronómica de ese apartado rincón nos dicen mucho acerca de su geografía. El festival, que tiene como escenario al club Member's, se centra en los frutos de los mares que bañan sus costas. El litoral de Alaska se extiende por kilómetros de intrincadas costas, además de centenares de islas y su larga y famosa península. Las costumbres alimenticias de sus pueblos ribereños tienen como fuente inagotable la variada fauna que puebla sus aguas.

**Festival gastronómico
"Alaska en Member's"
del 2 al 18 de julio.**

Dirigido por Jens Hansen, chef de Cuisine del restaurante "Crows Nest" del hotel Captain Cook de Anchorage.

Frutos de los mares de Alaska: "King Salmón", fresco y ahumado, "King Crab" (cangrejo) y "Halibut" (mero).

Vinos Bonchard y champagne Charles Heidsieck de la casa Boulton. Amenizado por el pianista de jazz, Igor Agisheff, también de Anchorage.



Alain Veratte, chef del Member's y Jens Hensen, chef invitado al Festival de Alaska.



Jane Angvik, embajadora comercial del Estado de Alaska, Jean Paul Coupal, Alain Veratte, chef del Member's y Jens Hensen, chef invitado al Festival.



Los fríos platos de Alaska junto al Caribú y el gran Oso de la región del norte.

Rosel, mango de la selva

Mis primeras aventuras tuvieron como escenario geográfico a Alaska: Fairbanks, Nome, la Valle del Koyukuk, el campo de la Sutter, el campamento de Thyeberg, Tenana, Dawson, Anchorage, Fairbanks, etc. son lugares que he visitado muchas veces. Tengo un pequeño campamento con palmas y estacas en cualquier sitio que me guste. Este territorio, sobre todo en la superficie bella de los lagos. Llevo la correspondencia y envío a los viajeros que me visitan sus cartas en pos de aventuras y fortuna.

Y en la temporada del salmón variaba mis buenos dolines pescándolo y fuera de la costa o cuando remontaba los ríos para desovar y perpetuarse. Utilizábamos caña y arroyos o redes con muelle. A veces conseguíamos también relación romántica.

En aquellos tiempos hice a Jack Cheechom, jefe de una tribu de los esquimales, un collar de dientes de zorro.

Entonces el zorro, su jefe era de la tribu de los esquimales que viven en las montañas de Alaska, en las laderas norte al sur, en la península

"Little Fox", es decir, "Pequeño Zorro", tenía un abuelo que se llamaba "El que narra el..."

... porque según
decía la gente, podía
salir cuando el An-
gelus y ella remon-
dando la frente, ha-
bía sido tra-
yendo una vez me-
como había dado mu-
al gran po con su
y ella se había
también cono-
y de salmón, una
muy bonita que tra-
que como enferma
miste. Ella era su-
de de reman-
de de reman-

Los me enseñaron la técnica del caliche, una vez Ricardo las enseñó de "Pequeño Zorro". Conoce mucho sobre el asfón. Durante la primavera sale de las profundidades del mar, gorbea y robusto, hacia las costas, remonta la columna de los ríos para poner ahí los huevos, y luego se retrae para vitz, débil y enflaquecido, y generalmente ya no puede llegar hasta el mar. Nunca devora, al final de la primavera, volando sobre los ríos que bajan de las montañas, el tringal, el carriel, el picaleuco de los ríos, los capibarridos fluyen en las aguas de los ríos, se hacen pesados con el viento húmedo y devorados por una masa de animales, incluyendo cuartos y aguilas marinos.

...No sólo aprendi las artes de la pesca del asombro, sino también los secretos para la conservación, el uso delado, secado o ahumado. Conoci muchas

[illegible]

Con mi pequeño avión
vuelan recorren todo el
litoral costero desde Punt
de Rupert en Canadá hasta
la Delfin del Yukón y como
comandante del Círculo Polar
cambala por florecer los
patines de la Catedral y
del podar atezar en el
ruir rada del gólo lo
salen de la base al
arado en el mar de
San. En Méjico al
na. En Panamá al
Hongo de la Jarva
de por primera vez
de labrador cal
antes de América. O
de la Delfin del Yukón

nos unos graciosos
con empufadura
de la maridada para
de la corral de sus
ta. En la casa de
la vida pasada de la

[illegible]

En las bocanetas de las conchas
que se ven en Alaska, hay
un bonga, muy cerca
de la superficie, en una peque-
ña laguna, probé una es-
pecie de sanchocho con
sabor de halibut y langos-
tos. Al frente de donde
yo desechaba el hu-
mante, condujimo un
pequeño halibut (el más
grande que jamás he vis-
to), desfilado me miraba
en la cara de pocos ami-
gos. Las aguas del Gran
Ouro no solo son ricas en
diversas especies de sal-
món, también, sirto tern-
do, el salmón de Ar-
rón, el salmón de la
costa del cast. De-
vora las contingencias
de las ahumadas en mi
salmo avon. Tiene un
sabor único. Es

ción", sus personajes del libro "Pequeño Jefe, el gran cazador" (Hess & Jager Little), del original alemán de Hanns Radtke.

Venezuelan restaurant buys Alaska seafood in glacier ice

By Chriss Swaney
Times Business Writer

About 4,000 pounds of Alaska seafood chilled by a 1,000-pound chunk of a Prince William Sound iceberg are bound today for South America as the state continues to seek new fish markets.

The seafood and glacier ice are part of a package deal recently struck between the state, several Alaska businessmen and the owner of a chic restaurant in Caracas, Venezuela, says Stan Hajenga of the state's commercial fisheries office.

Hajenga said the fish and ice were scheduled to leave Anchorage at 10 a.m. today on a United Parcel Service airplane and will arrive at 10 a.m. on Friday in Caracas.

UPS officials said this is the first time they've ever flown an iceberg, but claim it will get there in one piece.

"It's supposed to be 'specially packed,' but our pilots can make the top portion of the aircraft cooler," said an Anchorage UPS official.

UPS will fly the fish and ice to John F. Kennedy International Airport in New York City where it

will be transferred to a Venezuelan airline.

"We're really excited about this project because it's simply another way of getting Alaska seafood into new markets," said Mary Gore of the Alaska Seafood Marketing Institute, which is responsible for the worldwide marketing of Alaska seafood.

The seafood will be cooked and served in several Caracas restaurants by Anchorage chef Jens Hagen Hansen, who recently was honored by ASMI for his unusual seafood recipes.

The seafood will be featured during a weeklong promotion of Alaska products and tourism.

Some of the local businesses involved in the promotion include Tenth and M Seafoods in Anchorage and Taku Smokeries of Juneau.

Taku is supplying about \$20,000 worth of halibut and smoked salmon while the Anchorage seafood processor is supplying about 600 pounds of king crab valued at \$5,000.

"It's really been a challenge because we had to have special health permits for some of the fish," said Taku Smokeries owner Sandro Lance.

EL NACIONAL / Sábado 4 de julio de 1987

FRANKLIN MENTE HABLANDO

Franklin E. Whaite

JAIRE, LECTOR!... LA NOTA simpática de la semana —dentro del fragor político— es el iceberg traído a Caracas (desde Alaska), para poner de relieve un festival gastronómico de Canadá y de aquel estado frío de Estados Unidos. Hoy se podrá ver, y tocar, en el Museo de los Niños, por cortesía de Members, el club que hace la promoción. Aventura trajo el bloque de hielo desde Nueva York (gratuitamente). Otra línea aérea lo transportó desde Alaska hasta la sede de los Yankees y los Mets. Aquí en Caracas, Liquid Carbonic se ha prestado para hacerle el "mantenimiento" al bloque, tomado de un iceberg milenario. El mayor problema es que el iceberg contiene mucho oxígeno —hielo hecho por la naturaleza con aguas muy limpias—, pero el asunto ha sido solucionado a satisfacción. A la pregunta de un comensal del Members, se le ha respondido que el iceberg no va a ser devuelto a Alaska. Es posible que desaparezca aquí mismo... ¿SE IMAGINA usted un nieto de Rómulo Betancourt —el de AD— metido a salsero, en la misma nota de Ilan y Yordano? Léalo todo en "Feriado" de El Nacional, mañana mismo. El muchacho tiene talento... NOS DICEN AL OIDO que la banca acreedora no sabe ya cómo entender a Venezuela. Cuando nuestros negociadores de la deuda externa van a Nueva York, se redacta un acuerdo y, luego, los partidos políticos venezolanos lo destruyen. "Casi sería mejor —se alega que han dicho—, hacer las reuniones desde un principio con los partidos".

do activistas políticos cuya primera acción consiste en declararse en huelga de hambre.

Sugar Ray Lepage está acumula que acumula puntos

NUESTRO AMIGO Juan Antonio Yanes va a estar sometido a varios exámenes médicos la semana entrante. En sus propias palabras, "lo van a sacar del line-up hasta que el mánager lo decida". De todas maneras, ha tenido tiempo para recordar la vez que Cocaína García fue sacado out, para diversión de todas las graderías. Eran los años de la Liga de Verano. Yanesito la había impulsado con los peloteros que no estaban trabajando. "La llamábamos la Liga Ampárame de Verano", comenta el hombre del tabaco. Una vez, durante un juego entre Concordia y Senadores, Cocaína —cumpliendo turno como bateador—, logró pasaporte gratis a la inicial. Cada vez que ocupaba la base, daba saltos de alegría, se carcajeaba y se burlaba del pitcher contrario. En uno de esos saltos, el inicialista lo tocó en el aire (pues tenía la bola escondida en el mascotín, cosa permitida en aquellos años). El árbitro de primera era nada menos que nuestro viejo amigo, Juan Pablo Pérez Alfonzo, también gran árbitro de boxeo. ¡Out!, le gritó Juan Pablo. Y allí mismo se le acabaron los brinquitos al recio Cocaína, uno de los mejores pitchers —y toleteros— que nos regalara Cuba.

"Acusé a mi amigo" dice

Para escribir sobre



Junto a la "Roca de Hielo Glacial", halda especialmente para la ocasión, aparecen de izquierda a derecha: Miguel Hausmann, vicepresidente-director del Banco Consolidado de Venezuela, Otto Juan Reich y el embajador de Estados Unidos, Otto Juan Reich y su esposa Connie Dillinger de Reich.

El embajador de Francia, Jean Claude Prevel y su esposa Maria Teresa de Prevel.

Festival gastronómico Alaska en "Member's"

principales atractivos de este evento y se comentó esa noche que será cedida gentilmente a la Fundación Museo del Niño para ser exhibida todos los domingos. El obsequio servido incluyó una fina degustación de platos típicos, canapés variados y profusión de vinos, champaña y otros licores.

La reunión, armenizada por Igor Arishell, planta de Anchorage (Alaska), quien vino especialmente para la ocasión, se desarrolló en uno de los ambientes más gratos que se

El festival Gastronómico Alaska llevado a efecto en el Club Member's fue todo un éxito. La presentación del mismo tuvo lugar este miércoles último y las invitaciones circularon suscritas por el embajador de Estados Unidos, Otto Juan Reich; Miguel Hausmann, vicepresidente-director del Banco Consolidado (División Tarjetas), Henry Lord Boulton Núñez, presidente de Avenza y Jean Paul Coupal, director del Club Member's.

La Roca de Hielo Glacial, traida especialmente por Avenza, fue uno de los

recuerdan y se aprovechó la oportunidad para conmemorar la independencia tanto de Venezuela como de los Estados Unidos, en pro de las actividades culturales de los centros venezolanos-americanos de Caracas y Maracibo.

Los invitados abandonaron Member's muy complacidos de las atenciones prodigadas por los anfitriones, para quienes hubo felicitaciones y muestras de gran aprecio y simpatía.

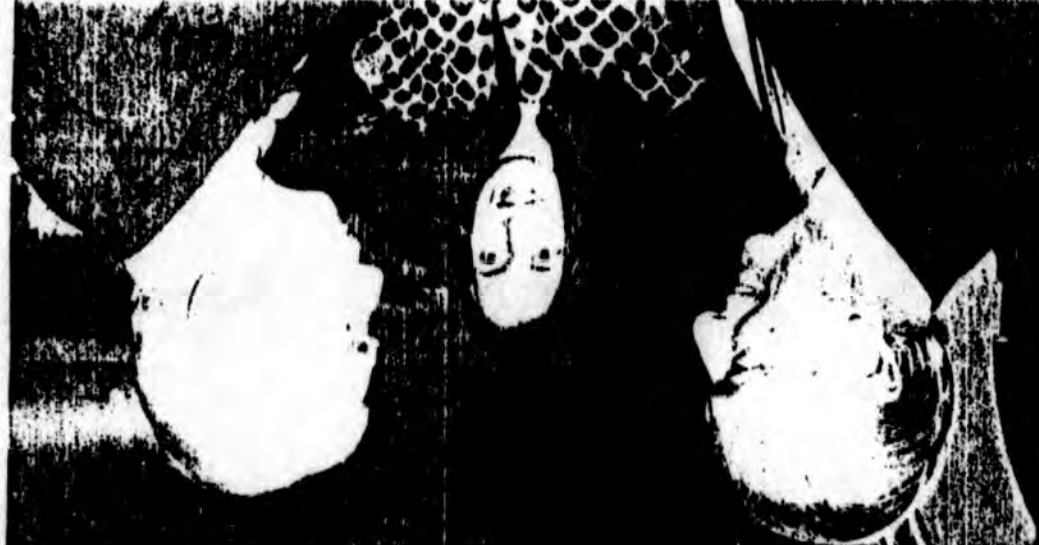
(Fotos de Anibal Torres)



Maria Teresa Pardo Herrera y Carolina Behrens de Fonseca



El embajador de la India, Ranjit Gupta y Shashi de Gupta



Henry Lord Boulton Núñez, presidente de Avenza, Ana María Aviles de Boulton y Richard Gluski



Doctor Lucio Medina Serfaty, Beatriz San Román de Larralde y doctor Leopoldo Larralde

Venezuela gets taste of Alaska

Glacier ice slowly melts in tropical heat

By Madelyn Farr
Daily Journal Staff

It takes more than a week of tropical heat to take the chill out of glacier ice.

The 1,000-pound bluish rock that was severed from an iceberg in Alaska two weeks ago, transported to Caracas and set up in a local restaurant to represent the Alaskan seafood theme, still remains icily intact.

Countless numbers of hands have surveyed its contours since the icetip, four-foot-high, four-foot-wide, was placed for public viewing at Member's Club.

But its most avid finger-fans belonged to the children who Sunday visited the Museo de los Niños in response to an advertisement announcing "A Piece of Alaska" at the museum.

Over 2,000 children reportedly inspected the frozen

evidence of northernmost climes. The glacier ice will be on view at the museum for the next two Sundays, with an additional stopover Saturday morning at the Hospital Ortopedico for viewing by the children hospitalized there.

"These glaciers are thousands of years old," said Alaskan envoy Jane Angvik, here to represent the Alaskan government at a group-project gastronomic festival on at Member's through July 18. "The ice is so old, so condensed that it's blue. It doesn't melt. If you put glacier ice into a drink, it would last most of the night."

Though it would take a two-week barrage of sunrays to bring the Alaskan monument to its watery knees, according to Member's Club Director Jean Paul Coupal, he's taking no chances.

The icetip is being treated by a technician every day,

injected every four hours with oxygen and blanketed with dry ice.

Already preparing for an appropriate demise, Coupal said he is planning to transport the ice rock to Los Roques or the Gran Sabana, sites as beautiful and typically Venezuelan as the glaciers are Alaskan.

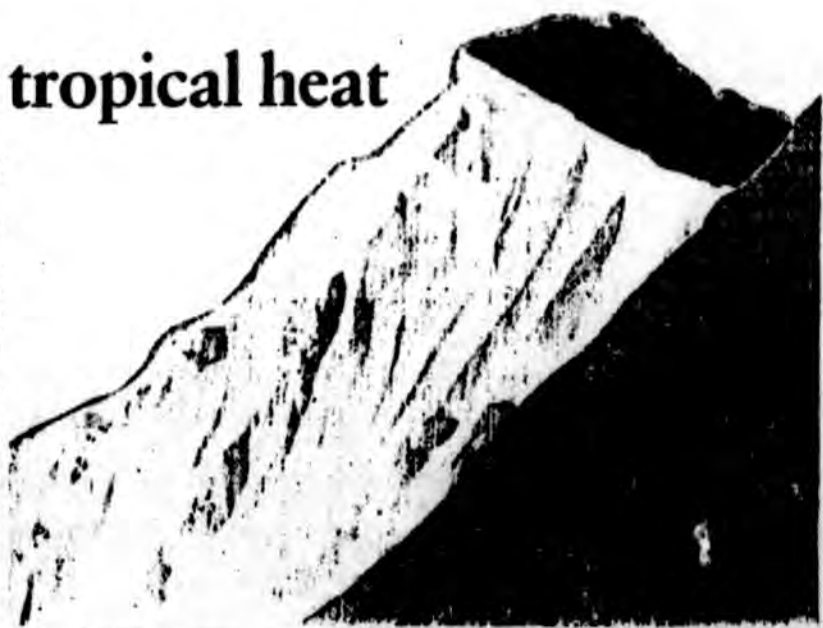
The idea behind the glacier ice feature came about incidentally during a visit with Alaskan governor Steve Cowper. When Coupal was informed that the tip of a glacier had been served at an official dinner for President Reagan, he grabbed for the pinnacle himself.

"Craig Stark and Todd Sherman, the great grandson of General Sherman, own a fishing business. Sherman took his boat out and cut a piece of a glacier to the specifications of United Parcel Service (UPS)," Coupal said.

The tangible piece of Alaska was cargoed in along with a hefty supply of other Alaskan specialties.

Four thousand pounds of seafood were flown in, the first time fresh salmon has been transported unfrozen to Venezuela, Coupal said. King Salmon, Sockeye Salmon and Halibut, prepared by Taku Smokeries, took up the bulk of the container, along with a rare delicacy, Halibut cheeks. Granny Smith green apples were also brought in for the gastronomic festival which was conceived to coincide with U.S. Independence Day.

The 10,000-mile logistical ordeal was facilitated by the



VIEW FROM THE TOP — The image many people have of Alaska is of snow-clad peaks, as pictured here in the Yukon Territory near Mt. Vancouver.

(Photo from "Alaska and Yukon")

donation of free cargo from Anchorage to New York by the United Parcel Service. "We were trying to figure out how to get all the fish to New York for free," Coupal said. "When UPS found out about the glacier and the fish, they first thought it was a joke. When they realized it was for real, UPS Vice-President Don Herbert authorized a free container on a special re-routed flight to New York."

Awaiting the cargo at Kennedy airport was Avenas airlines which took charge of route's last leg to Caracas.

In charge of creating the flavors of Alaskan for diners is Chef Jens Hansen, who was brought in especially for the festival. Hansen, a Dane who

moved to Alaska 20 years ago, has emerged as one of the region's leading chefs. He heads the kitchen at Anchorage restaurant Crow's Nest, eliciting kudos from prominent diners there. The late cookbook author James Beard called him "a brilliant young chef" and TV newsmen Walter Cronkite was reported to have stood up and applauded him after a meal.

Culinary training in France and Switzerland shaped Hansen's creative approach to seafood. For his expertise, he was awarded the Travel Holiday Magazine's '1987 Grand Award,' plus several other prizes issued that same year.

Another Alaskan import for festival diners' enter-

tainment is jazz musician Igor Agisheff, a leading Anchorage pianist who has played with prominent musicians in the United States. Complimentary concerts by Agisheff are being planned at the Centro Venezolano Americano in Maracaibo.

Alaska's participation in the food festival has prompted the inclusion of an Alaskan stand at the U.S. trade fair to be held in Margarita in August. Taku Smokeries will promote samples of its produce there.

Envoy Angvik said contacts were made with official representatives here in tourism and the fishing industries in an effort to promote the so-called "Last Frontier" in Venezuela.



PIECES OF ALASKA — Alaskan envoy Jane Angvik and Member's Club Director Jean Paul Coupal, at the inauguration of the Member's Alaskan food festival, stand by the glacier rock and display of fish that was transported from Alaska to Caracas. (Courtesy photo)

Alaskan indigenous peoples have safeguarded lifestyles

By Madelyn Farr
Daily Journal Staff

The lone Eskimo kneeling by his fishing hole framed in a panorama of ice and winds cuts a trite slice out of a region that is rich in native flavor.

Alaska is a collage of illustrations that represents three major Indian groups and five additional sub-groups. The native population accounts for one-fifth of the state's 500,000 inhabitants.

The story of Alaska's native communities and their rights over the land that came under federal possession in 1959 was sketched for The Daily Journal by a defender of indigenous rights.

Jane Angvik, president of the Alaska Native Foundation based in Anchorage, is in Caracas for the opening of the Alaskan seafood festival currently underway at Member's Club. An envoy of the Alaskan government, Angvik has been meeting with official representatives to promote Alaskan tourism and fishery industries.

"The Alaskan natives are in a much better situation than

most indigenous people in the United States," Angvik said. "They can engage in mainstream activities and still have the choice to retain the traditions in their own communities. They have many choices that aren't available to other indigenous groups."

A land claims controversy peaked during the 60s when the federal government began parceling off land for development much to the protest of its indigenous inhabitants, Angvik said. Matters came to a boil when the discovery of oil in northern Alaska prompted the proposal to build an 800-mile-long pipeline for oil transport.

The natives protested the project which they saw as a violation of their territorial integrity.

The Alaskan Native Claims Settlement Act generated a compromised solution. The legislation provided for the return of 11 percent of Alaskan territory to the natives, or some 44 million acres. In compensation for the major bulk of the land that would remain under federal control, Congress

awarded the natives close to \$1 billion.

Oil companies lobbied in favor of the bill which in the long-run would benefit their interest, Angvik said. In the trade-off, the pipeline was built.

Today, native interests are represented by 13 corporations that own and manage the lands and the compensation funds. Rejecting the option of isolated reservations, the natives opted for a business format that would protect their land interests while producing profits.

Each corporation is divided into two companies. One is managed with a non-profit orientation, concerned with housing, health care and related issues. The business-end of the operation manages native resources to produce an income for the shareholders which comprises Alaska's full native population.

"It's as if they're divided — on one hand, protective of their traditional culture and on the other assuming business values," Angvik said.

The corporations safeguard the Alaskan native lifestyle which for many groups thrives on hunting and

gathering. Some of the land is protected for hunting and fishing purposes while others are destined for mineral and oil development.

The majority of Alaskan natives live in small villages of 300 to 500 inhabitants in closely-knit family structures.

The three broadly-defined indigenous groups comprise the Eskimos who dwell in the Alaskan coastal regions; the inland Indian groups; and the Aleut who inhabit the Aleutian islands.

The fish-hunting Eskimos are subdivided into the Inupiaq and the Yipik who live on the northern and southern coasts respectively. These groups are visibly shorter than their indigenous neighbors possessing oriental facial characteristics.

The Athapaskan Indians who inhabit the central region are tall with angular features and brown skin tones. They resemble the U.S. Indians, Angvik noted.

Aleut sub-tribes, the Tlingit and the Haida, possess the most complex cultures of the indigenous groups. "Their civilization was the most advanced with a written language, not unlike the Incas of

Peru," Angvik said. "They're also the most fierce of the Alaskans who used to enslave the Eskimos."

Angvik recalled a tragic episode in Aleutian history during 19th century Russian occupation. Russian sailors set up headquarters in Aleutian lands to hunt seal for their valuable pelts. The Aleut were enslaved by the Russians and used for seal hunting. By the time the Russians abandoned the islands 50 years later, the Aleutian population of 60,000 had dropped to 20,000.

The Alaskan Native Foundation provides four types of assistance to the indigenous population. Technical and legal assistance is provided to communities still involved in the transfer of land titles.

Training programs for adults are geared towards community leadership development and business management, mainly involving investments and computer systems.

Foundation research projects are studying ways to reduce energy costs for villages through coal development. Alaska's status as

an oil-producer provides little advantage for its citizens, who are forced to purchase the refined by-product at a higher cost, Angvik said. Projects are considering the conversion of rich coal supplies into fuel.

The development of education materials for children is a foundation priority. A six-part television series was recently produced, narrating the history of Alaska's land claim settlement. School books have also been published by the foundation.

Though the land controversy has for the most part subsided, other problems are impinging on native well-being, Angvik noted.

In addition, Angvik pointed to more subtle interference in native Alaskan lifestyles waged by television in the last five years. "These are families that hunt moose. Television is teaching them warped values," she said.

"If the natives are to retain their options, they need insurance that the laws will be respected to protect their access to their lands, their fish and wildlife."

The Daily Journal 7/2-7/6/87

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EL DIARIO DE CARACAS 7/2-7/6/87

AMERICAN EXPRESS

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más respetada
en Venezuela
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PRESENTA



American Express®, Avenza y Member's, con la gentil colaboración de la Embajada de los Estados Unidos de Norte América, le invitan a disfrutar del 2 al 18 de Julio, de las exquisiteces del King Salmón fresco y ahumado, King Crab y Halibut, traídas desde los mares de Alaska por avión, las cuales serán preparadas por el Chef de Cuisine Jens Hansen del Restaurante "Crow's Nest", Anchorage, Alaska. Para acompañar estas delicias de mar, la Casa Boulton ofrecerá vinos "Bouchard" y Champagne Charles Heidseick a precios sumamente especiales. Además, podrá disfrutar de la música de Igor Agisheff, "Jazz Pianist Extraordinaire", de Anchorage y conocer la "Roca de Hielo Glacial".

Este evento conmemora la Independencia de Venezuela y los Estados Unidos de Norte América en pro de las Actividades Culturales de los Centros Venezolano-Americano de Caracas y Maracaibo y promover así el turismo hacia Venezuela.

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AVENSA

Únicamente por la noche



BANCO CONSOLIDADO

siempre a su lado

ALGUNAS REFLEXIONES SOBRE ALASKA

Eric Ekvall

Alaska es tierra de superlativos: es el mayor de los estados americanos (si se superpone el territorio de Alaska al de la totalidad del territorio de los Estados Unidos, va extremo estaría en Florida y el otro en California y el punto norte del Estado llegaría hasta Minnesota). Su línea costera supera la de la totalidad del territorio continental norteamericano. Alberga el pico más alto en América del Norte y posee la más abundante concentración de riqueza mineral y de recursos naturales en el continente. Hasta la más reciente caída de los precios del petróleo, era además el estado con el mayor crecimiento demográfico. Su población llegó a duplicarse en los últimos quince años.

Para los extranjeros, América del Norte representa esa nación capaz de traspasar los límites de la vida. Sus proporciones, sus apetitos, sus sueños, han mantenido el espectro del gigante. Un vistazo a los Estados Unidos desde afuera fija la mirada en Texas y California por eso que los americanos llaman *"big and bold American style"*, es decir: la inmensidad y la audacia del estilo americano. No obstante, los tejanos y los californianos que han viajado a Alaska se sienten súbitamente sumisos como una ovejita ante la majestuosidad abrumadora de que en realidad, se ve como una nación en sí misma.

Quizá es simplemente el estado número 49 (posición que logró apenas en 1956, cuatro años antes que Hawai se convirtiera en el estado número 50 de la Unión), pero esta juventud no impide que encarne los más profundos anhelos en el mito de la conquista fronteriza americana. Es el hogar y el eco de la grandeza de la naturaleza, una salida del anillo de Moebio de la vida moderna urbana. Alaska parece engendrar esa inclinación utópica que exalta el espíritu libertario en la actitud hacia el mundo. Eso que, en alguna oportunidad, se enunció como *"Don't tread on me"*. Los redactores de su constitución en 1956 elaboraron uno de los documentos más radicales que se hayan visto en lo concerniente a los derechos del individuo y a la protección del ciudadano común contra las ingerencias del Estado. Y cada vez que Alaska va a las urnas encuentra un sondeo en la opinión pública que remite a sus votantes a la pregunta ¿Debería Alaska independizarse de los Estados Unidos? No hay duda de que esto es ya el colmo, en la expresión de una actitud cívica y libertaria.

Todas estas razones combinadas con la tradición romántica de Alaska (exaltada por Jack London y otros) han dado a esta maravillosa tierra del Norte el aura irresistible que cubre todo el lugar de posibilidades infinitas.

Es el lugar en donde un hombre o una mujer pueden iniciar una nueva vida, en donde el límite es el cielo. El lugar en donde la iniciativa emprendedora que movió el espíritu de la Norteamérica de finales del siglo XIX encontró su centro en el siglo XX. Si después de todo el lector todavía no se ha rendido a sus encantos, las placas de los automóviles del estado podrían servir para mantener vivo el ensueño, al pregonar sin recato: Alaska *"The last frontier"*, la última frontera.

Cualquier visitante venezolano a Alaska podría encontrar muchas cosas en común con su propio país: Alaska es el más joven de los estados de la Unión, desde el punto de vista demográfico. Es tierra de inmigrantes, en el sentido de que son pocas las personas que se pueden vanagloriar de haber nacido allí. Es una región de oportunidades; un lugar en donde el esfuerzo laborioso unido a una visión de conjunto pueden llevar, al que se lo propone, a la meta fijada. Contactos, familia o negocios no constituyen la única clave del éxito. No es a quién conoces, sino qué puedes hacer.

Alaska vive también, por supuesto, de su riqueza petrolera y Alaska, como Venezuela, está sujeta a los altibajos que acompañan la dependencia de una única fuente de ingresos. En la actualidad, con el bajo ingreso petrolero, está experimentando muchos de los mismos problemas por los que atraviesa Venezuela intentando diversificar su base económica y disminuyendo el gasto público.

No obstante su gente es optimista y tiene por qué serlo. Alaska, con sus miles de millas cuadradas vírgenes, ofrece al visitante aventurero la experiencia de su vida, un "collage" de paisajes y bellezas naturales capaces de quitar el aliento a cualquiera. Por tanto Alaska, como Venezuela, está descubriendo en forma tardía su enorme potencial turístico; y su gente siempre plena de ideas, está descubriendo que las moras salvajes, el pescado ahumado y otras exquisiteces locales, son ahora codiciadas tanto por los extranjeros como por los locales.

Del medio millón de personas que viven en las 200 millones de hectáreas del territorio de Alaska, las tres cuartas partes viven en la ciudad. Al salir de la ciudad se entra en otro mundo. El territorio de los indios Tsimshians, Tlingits y Haida en el sudeste; de las comunidades Chugac y Aleut en la parte central y la región de la Península; el conjunto de las aldeas esquimales Yupik y Inupiat en la región norte y sudoeste; así como el inmenso pueblo de los indios Atabascos, esparcidos a lo largo del valle de Yukon, en la parte central del Estado. Todos portadores de una historia, una lengua y unas costumbres diferentes. Pobladores todos que han vivido en la tierra y de la tierra desde que los primeros asiáticos cruzaron el Estrecho de Bering hace 40.000 años: los primeros americanos.

El visitante podrá apreciar con sorpresa la similitud entre el tejido de las cestas Haida y el de las cestas Makiritare. Un recordatorio que dice que el gran tapiz de las culturas indígenas americanas ha sido tejido con un mismo hilo.

Para estas gentes, la vida en Alaska está cambiando en forma violenta, de la caza de la ballena en lanchas de piel de foca a la transmisión televisiva vía satélite, ¡en una sola generación!. Sin embargo, hay cosas que no cambian, ni en las ciudades ni en el campo: una forma de vida basada en el respeto hacia la naturaleza y el vecino, el disfrute de una buena compañía siempre bien dispuesta y alegre y esa sed de aventura y riesgo que no termina de desaparecer. La tierra clama. El cielo es nítido y luminoso, el aire revitalizante... No hay duda: es la última frontera.



Club Privado

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LA FUNDACION BANCO CONSOLIDADO
Y LA FUNDACION MUSEO DE LOS NIÑOS
PRESENTAN

Un pedazo de ALASKA en el Museo de los Niños



**Una visión del mundo ártico
a través de la gran roca glaciara.**

Este evento conmemora la Independencia de Venezuela y los Estados Unidos de Norte América en pro de las actividades Culturales de los Centros Venezolano-Americano de Caracas y Maracaibo y promueve el turismo hacia Venezuela.

El traslado de la roca ha sido posible gracias a American Express, Avenza y Member's, con la gentil colaboración de la Embajada de los Estados Unidos de Norte América.

La piedra será expuesta los días domingos 5, 12 y 19 de julio, de 9:00 am. a 12 m. y de 2:00 pm. a 5:00 pm.

 **FUNDACION
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AVENSA

GRECIA: Queremos agradecer a todos los socios que prestaron sus obras para el Festival de los *Doscientos Años de Francisco de Miranda en Grecia*, así como a la Embajada de Grecia, a las compañías aéreas Lufthansa y Olympic y a todos los que colaboraron en la organización de este evento.

ARTE EN MEMBER'S: Obras de Pájaro, Soto, Cabeza, Sosa, provenientes de la Galería Oscar Ascanio, 77, Arte Hoy y Sotavento forman parte de la selección realizada para este mes.

DIMPLE JAZZ EN MEMBER'S: También queremos recordarle que todos los Martes en la noche Victor Cuica seguirá trayendo el sonido del Jazz a Member's.

CRUVINET: La degustación de vinos por copa sigue provocando la sensibilidad de los "connaisseurs" en esta materia.

ALMUERZO EJECUTIVO: Member's continua ofreciendo todos los días a la hora del almuerzo su menú ejecutivo por sólo Bs. 275.00. Menú elaborado con los mejores productos del mercado y acompañado de una copa de vino.

DESAYUNO: Como de costumbre, de 7am a las 9am, con croissants, brioches, omeletes...

HORA DEL TÉ EN MEMBER'S: Desde las 4pm a las 7pm, en la terraza del jardín, ocho variedades de té irán acompañadas de exquisitos sandwiches y de la más deliciosa repostería.

SERVICIOS ESPECIALES:

RESCARVEN. SERVICIO DE ATENCION MEDICA ESPECIALIZADA: Se informa a los nuevos socios que si Ud. sufre un ataque de hipertensión o cardíaco en las instalaciones de Member's, el equipo de profesionales de Rescarven lo atenderá y lo llevará a la clínica de su preferencia.

JARDIN EXOTICA: Todas las plantas de Member's son cortesía de Jardín Exótica, quienes semanalmente se esmeran en traer los más bellos ejemplares y están a su disposición para atenderles en su local de Las Mercedes en la Calle Jalisco con California o por los teléfonos 752-0713 ó 752-4845. Igualmente les ofrece a todos los socios de Member's un 10% de descuento sobre su mercancía con la presentación de su carnet.

LE PRIVE: La elegancia exquisita de este comedor privado recientemente abierto para su disposición, unida a su funcionalidad y buen servicio, han hecho de Le Privé el sitio "IN" de este, su club favorito, dispone de una línea privada de teléfono y de una máquina "FAX" de Cannon, cortesía de Multidata.

Club Privado

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Bla. Bla. Bla...



del 2 al 18 de Julio.

ALASKA. LA ULTIMA FRONTERA. LLEGA A MEMBER'S:

En una ciudad como Caracas en donde las circunstancias parecieran haber obligado al más selecto público a conformarse paulatinamente con un mínimo necesario y a ir reduciendo sus niveles de exigencia, Member's, su Club favorito y el orgullo de sus socios, se ha propuesto desde sus inicios luchar en campaña abierta contra la mediocridad, haciendo participar a sus distinguidos miembros de los más exclusivos niveles de excelencia que se pueden encontrar en cualquiera de las grandes metrópolis del mundo. Mas bien, a pesar de las circunstancias, Member's continúa ofreciendo y aumentando cada día el grado de exquisitez al que un público selecto, como el que compone su clientela, está acostumbrado. Por ello, Member's le deleita no sólo con delicias culinarias sino que de manera muy especial cuida la presentación y el ambiente en el cual a Ud. le gusta reunirse con sus invitados. Muebles de estilo, auténticas obras maestras, antigüedades, vajillas, cubiertos y cristalería. Obras de los más destacados artistas plásticos como Jesús Soto y Pájaro, forman parte de la colección privada que Member's está seleccionando para Ud. De la misma manera que selecciona, dentro de los chefs más destacados del mundo, aquel que mejor podría satisfacer el paladar de sus socios.

Todos los socios saben que las obligaciones de Member's no se reducen a las de un restaurant como cualquier otro. Aparte de los numerosos beneficios que obtienen sus miembros (descuentos en algunos de los mejores hoteles del mundo, viajes promocionales, etc....) Member's se

ha preocupado por ofrecer aquello que precisamente, debido a las circunstancias por las que está atravesando el país, resulta casi imposible de conseguir. Por ejemplo, Member's tiene a su disposición una mesa con la más destacada prensa internacional al día, así como los más importantes semanarios, para que Ud. pueda acudir a la hora del desayuno o del té, o cuando más le convenga, a ponerse al día en materia internacional y a disfrutar de su club preferido. Paralelamente, Member's posee ya una tradición en la organización de festivales internacionales. A través de Member's, Ud. puede disfrutar de esa maravillosa sensación de viajar en primera clase sin moverse de su ciudad, sin ningún tipo de gastos adicionales, obteniendo lo más exclusivo a un precio menor y sin siquiera pagar el impuesto de salida. Member's le permite degustar las mejores especialidades de cada lugar preparadas por chefs de los más famosos restaurantes del mundo, elaboradas además con los mejores ingredientes del país de origen traídos especialmente para Ud. y a un precio muy inferior del que se pagaría en el lugar de origen. Pero, justamente porque Member's no es un simple restaurant, cada uno de estos festivales ha tenido como meta la presentación total y completa de lo que representa la cultura de cada lugar en particular. Por ello, el cuidado gastronómico ha ido acompañado de un cuidado musical y artístico que corresponde a un exponente auténtico de lo que representa la tradición del país.

Un ejemplo de esta calidad y de esta organización lo podremos apreciar en el festival que con motivo de la *Independencia de Venezuela y los Estados Unidos* y con la colaboración de la Embajada de los Estados Unidos, de *Avensa*, *American Express* y con el fin de recaudar fondos para la biblioteca del Centro Venezolano Americano, Member's ha organizado sobre Alaska, sobre esa tierra de superlativos, tan lejana y que tanto en común tiene con Venezuela.

¡Que desconocida resulta para Venezuela esa masa nórdica, fría, joven y legendaria! ¡Qué extraordinaria posibilidad nos brinda Member's en esta oportunidad de profundizar, conocer y deleitarnos con su tradición, sus ritos, su refrescante calidez, sus pescados y su música! No hay duda de que éste es uno de los grandes esfuerzos que ha realizado Member's para brindar a sus socios, sin lugar a dudas, lo mejor. Lo más actual dentro de una tradición que se remonta en ocasiones varios siglos a los indios *Tlingit* del sudeste de Alaska, quienes todavía celebran sus festividades con la preparación de un "Salmon Baked". En esas ocasiones la aldea entera participa en el banquete preparando cantidades enormes de salmón, ahumado lentamente a fuego abierto.

Alaska y Venezuela tienen más en común de lo que uno puede llegar a imaginar. Ambas son naciones jóvenes que se enriquecieron gracias al petróleo. (Se podría objetar que Alaska no es una nación... Bueno, ¡la realidad es que la gente de Alaska piensa que sí lo es!) Tanto Venezuela como Alaska son dueñas de un extraordinario potencial de recursos naturales. Ambas son naciones poco pobladas y todavía en vías de desarrollo. Ambas poseen una actividad optimista hacia el futuro. Ambas han disfrutado de un flujo migratorio vigoroso y entusiasta y ambas mantienen una variedad de culturas indígenas que, de manera diversa, repercuten en la vida diaria. Independientemente de todo esto, tanto los habitantes de Alaska como los venezolanos son nacionalistas y orgullosos de la herencia de una tradición y de un pasado. Y, siendo mayormente productores de petróleo, con todos los problemas que esto implica en la actualidad, ambas están descubriendo el turismo como respuesta hacia un crecimiento progresivo en sus respectivas economías.

¡Sean por tanto bienvenidos a este rincón de Alaska en Member's! Sean bienvenidos a disfrutar desde el 2 hasta el 18 de julio del rey de los chefs de Alaska, *Jens Hansen* y del extraordinario pianista de jazz *Igor Agisheff*, ambos provenientes de *Anchorage*, Alaska.

En Alaska nadie pone en duda la indiscutible maestría de *Jens Hansen* en el arte culinario. Hansen tiene a su cargo el famoso *Crow's Nest Restaurant* en el prestigioso *Hotel Captain Cook*, en *Anchorage*. Durante más de diez años ha sabido deleitar a los más exigentes paladares en la zona del Pacífico Norte y continuará haciéndolo aquí para el público de Venezuela, asombrándonos con su imaginación y haciendo florecer al máximo nuestro sentido del gusto. A la hora de la cena, las más exquisitas variedades de salmón alumbrarán su paladar. Habrá *King Salmon*, *Sockeye Salmon*, salmón ahumado, *Halibut* y *King Crab*. Sin que, por supuesto, falte para el postre el conocido *Baked Alaska* y el más americano de los postres: el *Pie de Manzana*.

El pianista *Igor Agisheff* tocará todas las noches. Igor es realmente un fenómeno. Nacido en Nueva York y educado en París, de padres rusos, es hoy un auténtico hijo adoptivo de Alaska. Prácticamente un autodidacta. Su estilo guarda reminiscencias de *Keith Jarrett* y *Chick Corea*. Ha sido el creador de varias composiciones musicales dentro de la producción teatral de Alaska, actuando como solista en numerosos conciertos a lo largo del Estado. En la actualidad acaba de grabar un álbum en Seattle. Es la primera vez que visitará América Latina.

Es bueno hacer notar que para poder lograr todas estas maravillas, su incorregible anfitrión *Jean Paul Coupal*, pasó una semana en Alaska el mes pasado haciendo averiguaciones en relación a lo mejor disponible en materia culinaria, frutos de mar, música etc... De este esfuerzo surgió esta aventura que incluye además algo nunca visto en Venezuela: el traslado de un auténtico *Iceberg* que será expuesto en el jardín de Member's. Sí, ¡no es ninguna broma! Un verdadero bloque de los hielos de Alaska llegará por avión a Venezuela. Un bloque de hielo que nos hará sentir de verdad en el *vértice de las fronteras*. Nos hará sentir esa fría calidez que tan lejana está de nuestro trópico y que a la vez tanto nos asemeja. Uds. se preguntarán: ¿y cómo se va a mantener su consistencia? Es interesante saber que el hielo de los *Icebergs* es un hielo compacto por el peso del glaciar que puede llegar a mantener su solidez en cualquier tipo de temperatura durante más de un mes debido a la compresión que durante tiempos inmemoriales ha sufrido.

Paralelamente, y para permitirnos conocer en forma más completa lo que ha constituido y constituye la cultura y la tradición de Alaska, *Jean Paul Coupal* consiguió una serie de fotografías en blanco y negro del conocido fotógrafo de Alaska *James Barker* que muestran escenas de la vida diaria en las comunidades esquimales de la zona del río *Kuskokwim* y del mar de *Bering*. Estas fotografías serán expuestas durante las dos semanas que dure el Festival.

Y para Ud., que está definitivamente acostumbrado a lo mejor, déjeme recordarle que los productos de mar en Alaska son reconocidamente los mejores del mundo. Los japoneses no tienen ninguna duda al respecto. ¡Y nadie como ellos puede permitirse lo mejor en este momento! Esperemos que Uds. sientan igual y lo disfruten...

Además, para acompañar estas delicias de mar, la casa "*Bouchard*" ofrecerá vinos especiales a precios especiales. O, si Ud. lo prefiere, *Champagne Heidseick* a precios también sumamente especiales.



UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Foreign Commercial Service
American Embassy
APO Miami, 34037

Dear Sales Manager:

Two million people will shop in the Margarita Island Free Trade Zone in Venezuela this year. They are looking for products such as yours! They will buy some 180 million dollars in merchandise from all over the world because of the low duty free prices.

The Embassy of the United States of America in Caracas Venezuela is sponsoring the first Consumer Goods Trade Show ever to be held in the Margarita Island Free Trade Zone. The dates are August 28 to August 30 just in time for the large Christmas season orders. The exhibition will be held in the prestigious Pella Vista Hotel located on the shore of this Caribbean island. It is being organized by the U.S. and Foreign Commercial Service (FCS), United States Department of Commerce.

Your potential customers are the 1200 duty free shop and boutique owners who will import 180 million dollars in merchandise this year and sell it, duty free, to some 1.5 million Venezuelan and 300,000 foreign tourists. Price and selection are the main attraction for this horde of shoppers who will soon be making some 40 million dollars in Christmas purchases alone!

Margarita Island is in the Caribbean sea just off of Venezuela's coast. Because of continuing devaluation of the Venezuelan currency (Bolivars 1:23 exchange) Margarita has recently become a major tourist attraction rivalling the near-by islands of Curacao, Aruba and Trinidad. New heavy construction for tourist facilities caused the Venezuelan government to increase Margarita's import quota to 180 million this year as some 2000 apartments are soon to be completed. An example of what is needed for just the island itself looks like this: 2000 refrigerators, 2000 stoves, 10,000 light fixtures, 8000 faucets, 20,000 door handles, 50,000 yards of carpets, etc. etc. etc. Next years requirements will probably be the same or more.

Since prices for items such as liquor, sports clothes, toys, hardware, tools, gadgets, deli products, electronic games, perfume, knick knacks and the like - cost much less than on the mainland, Venezuelan tourists flock to Margarita to buy for Christmas, birthdays, parties and day to day living necessities. And why not? The round trip airfare is only 22 dollars!! The savings that they realize in the stores and boutiques more than pays for a nice weekend on the Island.

Although many American companies presently deal with Margarita Island, qualified sources say that the volume of American products sold last year did not exceed 25 million. The Chambers of Commerce and Importers both said that more direct interest needs to be shown by American companies.



Since our Consumer Goods Exhibition will be the first ever held in Margarita we have generated a wave of interest from companies wanting direct imports as well as agent/distributor relationships. We have been offered the full support of Margarita's commercial associations as well as two of the largest companies in Venezuela to assure a successful show.

Due to the favorable exchange rate, we will be able to keep your participation costs low, about \$1,500 per booth, which includes its construction, interpreter assistance and an inaugural cocktail hosted by Ambassador Otto Reich. Pan Am flies daily to Caracas. AVENSA, airline, leaves New York and Miami every morning and has direct connections the same day to Margarita. AVENSA management has promised to assist with customs and transfer of your samples from the international to the domestic flight. Since you will be bringing samples only, you will have no expenditures for freight. Hotel rates are less than \$50 a day but food costs are far below those in the United States. We can think of no less expensive way to promote your merchandise to this large potential market!

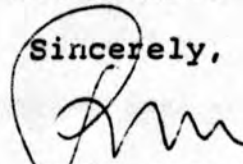
The Foreign Commercial Service in Caracas has professional staff that will be organizing and managing this event. Exhibit space and hotel rooms have already been reserved on your behalf. You will receive an enthusiastic and warm welcome from your future Venezuelan business contacts as well as Governor Rodriguez and U.S. Ambassador Otto Reich.

In order to take advantage of large Christmas orders the event must be held on the dates indicated. We must receive your telephone or telex confirmation by June 30 and your completed application with full payment by July 15. Applications received after that date will be rejected!

Because of the difficulty in booking space during this high tourist season in Margarita, we will be limited to 400 square meters of actual exhibition space (40 - 10' x 10' booths). This will be filled on a "first come first served" basis.

We look forward to your participation in this excellent event as do 1200 importers on Margarita Island Free Trade Zone.

Sincerely,



Richard J. Newquist
Commercial Attache

Phone: 58/02/2846111 Ext. 445/248
Telex: 25501 AMEMB VC

SPECIFICATIONS

Participation Fee: US\$ 1500 - No partial payments. Refunds of 50% for cancellation by August 10.

- Services:
- * 6' x10' booth with company name header sign.
 - * Partitions are living plant dividers
 - * Table and two chairs provided
 - * 110V 60 cycle power provided
 - * Lighting: standard overhead ceiling light. Spot lights available upon request at extra charge (see Participation Agreement)
 - * Inaugural cocktail with U.S. Ambassador Otto J. Reich, Chamber of Commerce, Chamber of Importers and 150 guests selected for their special interest in the event
 - * Pre show publicity
 - * Security for exhibition area
 - * Translators
 - * Special APO mailing privilege for company promotional material
 - * Full FCS management services
 - * Commercial briefing by FCS officers

CONTACT LIST

USDOC WASHINGTON DC: Sam Dhir Telephone: 202-3778422

DISTRICT OFFICES:

Miami - U.S. Department of Commerce, Miami District Office, Federal Building, 51 S.W. First Avenue, Miami, Florida 33130 Tel: 305-5365267

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Chicago - U.S. Department of Commerce, Chicago District Office, 1406 Mid Continental Plaza Building, 55 East Monroe Street, Chicago IL 60603 Tel 312-3534450

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Telephone: 58/02/2847111 *Tel 25501 American Amb. MBVE home 284-6111*

Richard Newquist - Commercial Attache - Extension 210
Cecilia Betancourt - Event Coordinator - Extension 445
Hans Mueller - Logistics Manager - Extension 406
Milton Chaves - Facilities Manager - Extension 334
Anita Crombie - Transportation Manager - Extension 327

GENERAL PRODUCT CATEGORIES

HARDWARE/TOOLS	i.e. hand tools/electric/manual
WHITE LINE	i.e. refrigerators, freezers, dishwashers,
ELECTRIC HOUSEHOLD APPLIANCES	i.e. blenders, toasters, electric housewares food processors, electric can openers.
KITCHEN ACCESSORIES	i.e. pots & pans, cook & bakeware, Kitchen Tools & Gadgets.
LINENS	i.e. towels, sheets, bedspreads, ruffles
TOYS	for kids & grown-ups, hobbies, i.e. electric, remote control, paint sets, decals, dolls, trains, telescopes, etc. etc.
DELICATESSEN	i.e. chocolates, mustard, spices, cookies, snacks, cheese.
HOUSEHOLD	i.e. glassware & china, decorative accessories, light fixtures, wall paper, rugs, water filters.
DO-IT-YOURSELF LINE	i.e. kits to assemble, furniture to assemble, tables, chairs, bookcases, T.V. stands, etc.
POOL ACCESSORIES	i.e. cleaning, chemicals, life preservers, slides, pool toys.
GARDEN FURNITURE	i.e. outdoor products.
UNDERWEAR	Mostly ladies, i.e. pantyhoses, brassieres, night gowns.
SPORTS WEAR	all ages. i.e. sneakers, t-shirts, shorts, jogging suits, head bands, etc.
KIDS CLOTHES	i.e. socks, shorts, pants, T-shirts.
COSMETICS & PARFUMES	
APPAREL	men, women, children, i.e. shorts, suits, shoes, belts, ties, dresses, pants, etc.
CONSTRUCTION EQUIPMENT	heavy, light, power tools.
WINES OF ALL TYPES	



UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Foreign Commercial Service
American Embassy
APO Miami, 34037

PARTICIPATION AGREEMENT

Booth Size: 6'x10' \$1500
'87

6'x15' \$2250

Show Title: MARGARITA MODEPNA USA

Dates: August 28 -30, 1987

Two spot lights US\$ 50

Company name (no logo) as to be shown on Header

Exact name of participants

Number and size of rooms required (to be paid by the participants)

() Single _____ each

() Double _____ each

NO CANCELLATIONS ACCEPTED AFTER AUGUST 10. 50% REFUND FOR
CANCELLATION THROUGH AUGUST 10.

CHECKS MADE PAYABLE TO: AMERICAN EMBASSY CARACAS
ONLY MANAGER'S CHECKS CAN BE ACCEPTED ACCORDING TO REGULATIONS

CONTACT: RICHARD NEWQUIST
COMMERCIAL ATTACHE
AMERICAN EMBASSY CARACAS
APO MIAMI 34037
TELEX: 25501 AMEMB VC
PHONE: 58/02/2847111

MAIL PROMOTIONAL MATERIAL TO: (Will be delivered to Bella Vista)
APO MIAMI 34037

MARKED: "PROMOTIONAL MATERIAL MARGARITA

Products to be exhibited:

- Bring only samples and catalogs



Margarita has several real estate agents. We recommend that you travel in the island and seek them out in person. Many respondents do not speak English, and won't understand if you call and ask for information.

Mail is notoriously slow and inefficient: some agents, however, do have Telex equipment.



Island Properties Report™

Island Properties Report is published for the private investor in search of residential or business properties in the Caribbean, the Bahamas, and the tropical U.S. islands. We accept no paid advertising or sales commissions: All revenue comes from our subscribers.

No. 30

April 20, 1987

Isla de Margarita: A Well-Kept Secret

Margarita is Venezuela's island in the Caribbean, arid and mountainous with less than a half-dozen cloudy days a year.

The island has sandy beaches, villages with Spanish-style government buildings and plazas, mangrove and palm trees, forts, old churches; steep, craggy mountains. High-rise apartment and hotel buildings fit into the landscape.

Margarita is unique: it's an island, but it's part of a country, too, a huge, third-world country (350,000 square miles) with a Caribbean coastline, 15,000-foot mountains, and abundant natural resources.

Latin America's richest country, Venezuela is one of the world's largest oil exporters and producers. It was poor and pastoral when oil was found in 1922.

Wealth hasn't been distributed evenly, nor have other sectors of the economy been developed.

Margarita, largest of Venezuela's 72 islands, is a popular vacation and investment center for Venezuelans and Canadians.

The two groups even come to the island at different times, creating almost a year-round vacation spot.

Margarita (pronounced Mar Gar EET ah, Spanish for pearl) has received little press coverage. Maps rarely identify it.

Tourism offices have little information, and few Americans have been here.



Margarita is famous for pearls found in its waters, but these are now scarce.

Few expatriates live here year-round — some say less than two dozen. Most live in or near Porlamar, largest city and center of economic activity.

Porlamar has an old quarter, busy one-way streets, brightly-painted shops and houses. Shoppers crowd the sidewalks.

Ten years ago, Margarita had only 46,000 residents, dirt roads, and few foreign tourists, but lots of shoppers. In 1975, it had become a free port.

Shoppers, mainly Venezuelans, began buy-

ing here duty-free, especially shoes, liquor, clothes, household goods, and fabrics.

In 1983, a much more significant event occurred.

On February 18 ("Black Friday"), officials devalued the bolívar, Venezuela's unit of currency, by 67%. An international oil glut, a huge foreign debt, and capital flight (as much as \$30 billion) had created a serious economic crisis.

Devaluation drastically changed many Venezuelans' lifestyles overnight. Building projects stopped, and inflation and unemployment rose. Officials put heavy taxes on many imported products, and prevented others from being imported.

Upper and middle income Venezuelans couldn't afford to have Florida condominiums, and looked to Margarita instead.

Expensive before devaluation, Margarita now is cheap to visit (depending on your travel/hotel plans). It can be cheaper to buy and live here than on other islands.

Buy an apartment for as little as \$23,000 (for convenience, all prices in this Report are in U.S. dollars), a can of soda for 10 cents, a Venezuelan beer for 25 cents. A four-course restaurant meal for six, with drinks, can be as little as \$40.

A rental car is about \$30 a day without tax and insurance. Gas is 23 cents per gallon.

From the Publisher

Recently returned from a three-island blitz of the region, editor Deborah Stearns Sullivan herewith reports on one of the most interesting of the Caribbean islands—yet one of the least-known to North Americans.

While Ms. Sullivan has near-total responsibility for the editorial side of Island Properties Report (the first five or six pages), we cling to the intriguing—and tempting—job of compiling the listing section in the back.

We have no hard data on how responsive IPR readers are to published listings, but volunteered information indicates that an attractive, moderately-priced property on a relatively popular island will draw from 10 to 20 serious inquiries, sometimes more.

If you don't see what you want in this section, you are invited to submit a *brief* description of the kind of property you're looking for, and the more specific the better. Many island realtors scan these pages, and many subscribers own property in the region they may want to sell. We'll publish your request for facts as soon as space permits; sellers will contact you directly.

When you're ready to enter negotiations, remember that Caribbean real estate normally doesn't move as quickly as in the States or Canada. Most resale homes are sold furnished. Generally it's a buyer's market; the spread between "asking" and "offering" prices usually is larger than up north. Faced with the fact that local banks often won't grant a mortgage to non-nationals, sellers are more willing to offer terms. From *The Seales Cayman Letter* (Feb. '87): "In the absence of liberal mortgage policies . . . some owners are more often than before willing to offer attractive mortgage terms to overseas and local buyers. Rates offered are 10% per year and sometimes up to 12 years." . . . Good luck.

Gene Cowell, Publisher

Streets are lined with shops, where you can buy shoes, towels, snorkel equipment, baby clothes and toys, luggage, designer clothes, and many other items. Many cost far less than you'd pay at home.

Government subsidies make public transportation, utilities, and food cheap for the visitor. Once inexpensive, prices of cars soared due to new taxes on imported parts. (Venezuela assembles, not manufactures, cars.)

Now, most roads are paved, and 240,000 Margariteños live here.

At first, Margarita may remind you of the American Southwest, with its scrub vegetation, cactus, palm trees, sandy fields, and reddish-brown soil.

This is South America, however, and the culture is definitely Latin.

Your first clue may be the very small cups of strong coffee laced with sugar (or black with an equal amount of canned milk), the airport personnel who speak little or no English, or the small roadside shrines built by families of accident victims.

Music is played loudly. You see bright clothing, costume jewelry, and high heels.

Stores catering to Venezuelans may carry odd assortments of goods: liquor, lingerie, paper cups, shoes, shampoo.

Laws prohibit parking in front of banks for security reasons. The few armed guards you see have sawed-off shotguns and rifles (as yet they haven't been needed).

Pictures, statues, and monuments commemorate Simón Bolívar, the Caracas-born hero called the Liberator, who freed six countries from Spanish rule.

Banks can be noisy as waiting customers talk to each other. It's equally loud in shopping areas as islanders gather, music blares, and birds create a racket in the trees.

Street vendors sell fresh popcorn, baby clothes, and kitchen utensils to islanders and tourists.

Every one (except tourists) disappears when it's hottest, usually 12:30 to 2:30. You rarely

hear anyone speaking English.

Women making arepas (filled corn meal buns), hot dogs, and orange juice set up shop on street corners everywhere. Restaurants get busy about 9 p.m., night clubs, even later.

Old island homes look like Mexican houses, with barefoot, brown children playing near new apartment buildings, and grandmothers taking care of babies.

Entertainment includes bull or cock fights, basketball games, and a yearly Carnival when even children in parades drink beer.

You're more likely to meet friends at restaurants, rather than to be invited to their homes.

If you marry a Venezuelan and come here to live, as some expatriates have done, you find that women's roles can be very different, although women do work outside the home.

You see graffiti, especially of a political nature, everywhere, but more so on the mainland.

Margarita has a deluxe, government-built dog track with paramutuel betting, computerized tickets and score board, and restaurant.

It also has a new cockfighting ring and movie theaters in most towns.

Islanders are curious and generally friendly, not really used to tourism and North Americans yet.

A sense of community spirit, expatriates say, is missing in Venezuela. No one signs petitions, gets together to improve a hospital or build something.

Beware of the sun. Margarita is only 11 degrees from the Equator, and the sun is much more intense here than on most Caribbean islands.

Windows and doors on houses, offices, and stores, and lower floors of apartment buildings are covered with iron bars and grills. In Caracas, grills also protect against robbery; here, they're primarily for show.

You see billboards advertising banks, liquor, and modern appliances, and some litter and abandoned cars. Overall, the island is clean.

Life is slow and relaxed — nice for visitors and retirees, sometimes frustrating for business owners.

Offices and shops don't have numbers: instead, buildings are named.

Racial prejudice, expatriates say, is unknown.

Strict regulations govern airline departures and scheduling and can easily ruin your travel plans.

Expatriates here are fond of saying: "There are laws, and then there are laws."

Tax collection can be sporadic and infrequent, or non-existent.

Traffic laws aren't always obeyed. Few drivers stop at stop signs; you risk being rear-ended if you stop.

Highway rules may or may not be enforced. Payoffs to avoid traffic ticketing occur, we're told. If an accident causes injuries or death,

drivers are usually jailed, passengers are detained, and cars seized while police investigate.

Bribes and payoffs can speed up visa applications and business deals, we're told, but the government is trying to stop this.

Some expatriates refuse to pay bribes. Others pay to expedite the processing of personal or business papers, but say this aspect of life really bothers them. Others haven't had problems.

Expatriates like Margarita's sunshine, inexpensive living (providing you earn an adequate salary or are self-employed), the nearness of Caracas for culture and sightseeing, and the friendly Margariteños.

Margarita, they say, is wide open for business investment if you're aggressive, make local contacts, use them to help you, and learn quickly how things are done.

We're told that Margarita's economy is booming and that money is being made in real estate as well as in business.

We're also told that residential properties often aren't on the market 60 days, while some, especially apartments, are sold before buildings are completed, or sometimes even started.

Don't count on getting rich quick, however. Differences in language and culture, expatriates say, make Margarita attractive, but doing well financially isn't guaranteed.

Basic Facts:

Location: Margarita is 18 miles from mainland Venezuela, about 120 miles from Trinidad, 300 miles from Barbados, and 2,132 miles from New York.

Getting There: Fly from Boston, New York or Miami. Flights from New York take about five hours; from Miami, three hours.

Land at Simón Bolívar International Airport, 18 miles from Caracas, or at Margarita's international airport, 13 miles from Porlamar.

Be forewarned: NEVER arrive for any flight to or from Venezuela less than two hours before your plane leaves.

This also applies when you fly from Margarita to catch a plane from Caracas.

You almost certainly will lose your seat, even if it is reserved and paid for. Overbooking seems to be common.

You must also confirm your reservations at least 72 hours before departure.

You can reach Margarita by ferry from the mainland. The trip takes four to six hours, depending on which ferry you take, and costs \$2 to \$4.50 one way.

Documents Required: You need a valid passport and a return or onward plane ticket. You need a passport to use credit cards, cash traveler's checks, and rent a car.

You may need malaria shots if you travel far from Caracas.

Tourist entry cards you receive at the airport are valid for 30 days and may be extended for up to 90 days.

Population: Margarita has 240,000 residents. Venezuela has about 17,500,000



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people, maybe 18,500,000 with illegal aliens. Most (75%) Venezuelans live in cities.

Capital: Margarita's capital and "second city" is La Ascension, six miles from Porlamar, small and sleepy with Spanish-style government buildings.

Land: Highest point is Pico San Juan at 3,019 feet.

Area: Margarita is about 40 miles long and five to 20 miles wide, largest island in the southern Antilles. Area is about 360 square miles.

The Restinga Lagoon, a 14-mile barrier beach, and a bridge connect the east and west parts of Margarita.

Climate: Expect temperatures of 80°-85° each day. These are estimates — thermometers aren't common. Summer is about five degrees hotter. It's not humid.

The sparse annual rainfall usually comes at night. Cooling breezes blow, but you don't feel them in the sun.

Banks and Currency: Currency is the bolívar, with 22 bolívars equal to US\$1.

Change money at the Caracas or Margarita airports, or at island banks.

Banks, we're told, give the best rates. Most Porlamar stores and restaurants take credit cards.

Shops may give 10-30% discounts if you pay in cash. Stores may beat bank exchange rates to encourage you to buy.

Margarita's numerous banks are usually open Monday through Friday, 8:30 to 11:30 a.m. and 2 to 4:30 p.m. Clerks often can't understand English well.

Lines can be long, and you may have trouble finding the correct line. Margarita has one automated teller machine.

You can open savings and checking accounts. Some expatriates have an American account as well as a Venezuelan account, so they can transfer funds between the accounts and protect against currency fluctuations.

Banks will not lend you money to buy houses or land, but owner financing is common.

Do not expect to find change everywhere. Have plenty of small bills.

Languages: Margariteños speak Spanish. A few speak a little English and some, especially those educated in the U.S., are fluent. Some are shy about speaking English, especially on the telephone.

Hotel and restaurant staffs speak some English, as do some store clerks. Otherwise, you're on your own.

Communicate by sign language and with the help of a Spanish-English dictionary and a Spanish phrase book.

You can visit or live on Margarita without knowing any Spanish, but you'll have an easier time and make a more favorable impression if you try to speak Spanish. Islanders are more willing to help if you make this effort.

Telephone calls can be difficult because

receptionists don't always speak English.

Outside of Porlamar, don't expect anyone to speak English.

All street and road signs are in Spanish, as well as most signs in stores. Some menus, many tourist brochures, bank service brochures, billboards and signs welcoming you to each town are in Spanish.

Visitors and expatriates say Spanish is easy to learn, especially if you've studied Italian or French, and that Venezuelans are very tolerant of poor Spanish.

Margariteños are also attending English schools.

People: Venezuela has a young population, with about 60% under the age of 30.

Most (about 70%) are mestizo, a combination of Spanish and Indian. The rest are of European, African and Indian descent.

Expatriates say islanders are friendly but shy, keeping to themselves and their families.

ment breakups, and temporary rotaries are common. One-way signs are often missing.

You can rent cars, or buy new or used cars. You must have a cédula (national identity card) to buy a car; that may or may not be enforced.

You may drive with a valid U.S. license for one year, with an official medical certificate (check to see if this is needed), and a foreigners' permit. To get a five-year license, you must pass a road test and a written test (in Spanish).

Drive on the right and stop at all unmarked intersections.

Many drivers do not have insurance, but officials are trying to change this.

Large American cars are common.

Buses and taxis are numerous and inexpensive. Taxis are all colors and models. Some have signs, some don't. Fares go up at night and on Sundays. The fare from the airport to Porlamar is about \$4.



They are not hostile to visitors or new residents, nor do they appear especially curious.

History: Spanish navigators gave Venezuela ("Little Venice") its name because Indian dwellings on the mainland reminded them of buildings along Venice waterways.

Discovered by Columbus in 1498, Venezuela's first settlement (and South America's first) was on the island of Cubagua, 10 miles from Margarita. A tidal wave destroyed the settlement after it became famous for pearls found in its waters.

Government: Venezuela is a representative democracy now. Dictators and juntas ruled until 1958. All presidents have been elected by popular vote since then.

Dr. Jaime Lusinchi is president and head of state, elected in 1983 for one non-renewable five-year term. He is a member of Acción Democrática, a party of moderates.

Venezuela is divided into 20 states. Margarita, with the islands of Coche and Cubagua, forms the state of Nueva Esparta. Morel Rodríguez is the appointed governor.

Time Zone: EST plus one hour, also equal to Atlantic Standard Time.

Roads/Transportation/Cars: Detours, pave-

Education/Literacy: Literacy rate is at least 86%. Education is free and compulsory for children aged seven through completion of the primary grades.

Classes in Margarita are in Spanish. Expatriates often send children away to boarding school for high school years so they can benefit from curriculum offerings such as music, drama, and sports.

The mainland has private schools and universities. Until devaluation, many families sent children to the U.S. for college. Now many can't afford to do so.

Religions: Most Venezuelans are Catholic. All denominations are represented.

Pets: Pets are allowed with a medical certificate and registration at the Venezuelan Consulate. They must have health certification and rabies vaccination at least four weeks before traveling.

Living Here:

Most islanders live in the developed eastern part of the island; a few are in the hotter and more barren part, the Peninsula de Macanao.

Venezuelans dress up at night. Most women don't wear jeans, sneakers, and shorts in public.

Expatriates tell you how young the country is, how many young people, often with babies, there are. Single women, they say, can lack social opportunities.

Because the culture is so different, some say you'd fit best here if you are retired, and can leave for trips to North America, or if you can work.

Be prepared for business appointments to be late, or for the person to not arrive at all.

You can buy a guidebook, "Living in Venezuela," from:

Venezuelan-American Chamber of
Commerce and Industry
Apartada 5181
Caracas 1010-A, Venezuela
Telephone: 011 58 2 31 20 76

If you move to Venezuela, register at the U.S. Embassy in Caracas. Officials are helpful.

Activities/Recreation/Attractions: Expatriates with jobs usually spend leisurely weekends at home.

A favorite attraction, even of residents, is Playa (beach) el Agua, a white sand beach with palm trees and pounding surf.

The east coast has the best beaches. You rarely see a sailboat or yacht.

Residents like to go to the beach for the day, picnicking or eating at nearby restaurants, hanging up a Venezuelan-made hammock between two palm trees and taking a nap.

Bathing suits can be skimpy, but topless bathing isn't permitted. Islanders ask visitors not to wear bathing suits and shorts in town.

You can go camping, fishing, walking, and jogging, or sit in outdoor cafés and watch passersby.

The statue of the Virgin of the Valley in a church less than 10 miles from Porlamar may be the most often visited place in Venezuela. People bring flowers and gold presents if prayers are answered. Eating out is popular.

Some islanders go to Caracas for visits, although the price of a one-way flight just jumped 50% from \$12 to \$18. There are several daily 35-minute flights.

In Caracas, go to theater and opera performances and museums, eat in favorite restaurants, shop in the numerous (and often elegant) shopping centers, see relatives and friends, go to nightclubs.

If you plan to live or work here, you may have to go to Caracas because many governmental functions aren't done on Margarita.

Located in a valley in the Central Highlands, Caracas is a modern city that sprawls for miles, seemingly without a center.

Nights here are cool. Mountains around the city are about 9,000 feet high.

Architecture is old colonial and stunningly modern. The most expensive homes have beautiful mountain views.

About four million people live in Caracas, more than a third housed in temporary shacks (ranchitos) of their own making that have

become permanent homes. The sight of these dwellings all around the city usually shocks visitors.

Houses have electricity but often no sanitation. Heavy rains sometimes wash away hundreds of the shacks, killing inhabitants.

Some of the people have jobs and cars, many have television sets.

Beaches near Caracas are now very polluted because sewage flows down the mountains, and crime, especially robberies, has dramatically increased.

Don't wear jewelry, and keep purses away from the grasp of speeding motorcyclists.

Traffic is horrendous. Never drive here unless you are very familiar with the streets and used to high speeds, reckless drivers, and pavement that is very slippery in the rain.

Don't bring your car from Margarita unless you are familiar with Caracas' traffic control system.

Fatalities are numerous and traffic jams are frequent. Always allow two hours to drive to appointments.

Margariteños also tour the mainland and hunt there, visit Margarita's Restinga Lagoon, rent tapes for their videocassette recorders, and play tennis.

Scuba diving is better off neighboring islands, not Margarita, divers say. They pay local fishermen to take them out. Margarita has docks, but no marina.

Basketball and baseball are very popular. A big amusement park is being built, and Porlamar has a small art museum.

Social Life: Venezuelan parties last many hours. You're expected to arrive for an 8 p.m. party no earlier than 9, but 10 is more common. Be prepared for a lot of drinking.

Customs/Traditions: Expatriates in business often take vacations around Christmas because they say it's so difficult to conduct business then.

Homes have artificial Christmas trees, beautifully decorated. Everyone goes to church Christmas Eve, has a big dinner at home, then goes out dancing. The same ritual is followed for New Year's.

Single women live at home until marriage, and don't go to restaurants or clubs by themselves. Families are important, and fathers are the official heads of household.

Wives defer and cater to their husbands, but often control the family budget. Children are adored, and families are smaller than they used to be.

Prices/Food: The Venezuelan government regulates the prices of foods and many other products. No store can sell these items for more than the regulated prices, identified by the letters PVP (public value price). Stores can and do, however, sell items for less than the PVP price.

Restaurant meals are inexpensive. A bottle of wine moderately priced in the U.S. can cost more than your entrée.

A snack of two coffees and one large fresh orange juice costs about 40 cents.

Rum costs as little as \$1 a liter.

Fish is generally served with lime, and heads aren't always removed. Restaurants don't have artificial sweetener.

Before you tip, check your bill carefully. A 10% service charge is almost always included in the total.

Margarita has several restaurants. Service is either excellent and almost overwhelming, or poor.

Popular foods are arepas, empanadas (maize-flour pies with cheese, meat or fish); oysters, hot dogs, hallacas (maize pancakes with stuffing boiled in a plantain leaf, made at holidays), cachapas (maize pancakes with white cheese), fresh orange juice, fish soups, flying fish, kingfish, local lobster (no claws and a bit chewy), mussels, red snapper and shrimp, mangoes, pineapple, rice, beans, pumpkin soup, fried bananas, papayas, guavas, and carne asada (fried meat).

Expatriates miss cottage cheese, pears, apples, and pecans. Some aren't available; others can't now be imported. Beef is tougher than you're used to.

Venezuelans eat a large meal in the middle of the day, then a late dinner.

Buy fish on the beach from fishermen. Islanders shop at small markets as well as at two large grocery stores, which carry many imported foods.

Prices for many foods are inexpensive. Fish is 35 cents to \$4 a pound. Venezuelan coffee is 50 cents for a half-pound bag. Beef is about \$1.35 a pound, chicken, about \$1 a pound. Fresh milk is about 40 cents a quart, but you may prefer canned, dried, or boxed, sterilized milk.

Fresh vegetables are not always plentiful. Tomatoes are about 30 cents a pound, bananas, about 11 cents a pound.

Prices for most imported foods have doubled, even tripled. Instant coffee, American brand, costs \$1.85 for one-fifth of a pound.

Expatriates say it is generally safe to drink the water and eat food on Margarita, but beware of food that may not have been kept cold.

Newspaper/Radio/TV: Buy the Caracas Daily Journal, in English; MIRA, a local newspaper published by an American and his Venezuelan wife, is free. An afternoon paper is in Spanish.

Many business periodicals are published in Caracas.

Radio is usually in Spanish, except for English stations from neighboring islands. You may need a shortwave radio.

Television programs are in Spanish. You may also see American movies with Spanish subtitles. Satellite dishes have now been legalized.

Medical/Dental: You will find doctors, dentists, veterinarians, pharmacies (some are open 24 hours a day), a hospital, and several clinics.

Wealthy Venezuelans pay for care at private clinics or fly to the U.S. for treatment. Care at public hospitals and clinics is generally free.

Drugs regulated in the U.S. are often available here without prescriptions.

Services/Mail: You can get your hair cut here, clothes dry cleaned (slow, but cheap), and appliances repaired (also can be a slow process).

Repairmen usually don't speak English. Because of import taxes, car parts are expensive and cars aren't always well maintained.

The island has attorneys, accountants, and other professionals.

Most professional people have maids. Expect to pay about \$100 a month for a maid or gardener.

Expatriates say they miss not buying books and magazines in English. Laws now prohibit their importation.

Expatriates also complain about the mail service, which is usually slow. Mail may not arrive at all. Deliver bills, important mail, and checks yourself. Health club facilities are poor, expatriates say.

Shopping: Stores are open Monday through Saturday, 9 a.m. to 1 p.m. and 3 to 7 p.m. Some don't close during the day.

Some prices are low, but be careful. Some popular American and European brands can be just as expensive as in the U.S. Watch quality and know prices.

Tags show both regular and duty-free prices.

Women's leather shoes can cost \$14; blouses, \$3 and up; snorkeling gear, half the U.S. prices for American products.

American-brand toothpaste costs 35 cents for four and one-quarter ounces.

Visitors also find bargains on cultured pearls from Spain and Japan, gold jewelry, and fabrics for sewing. Be sure to get names of reputable jewelers.

Porlamar has two distinct shopping areas, one more expensive, the other less so.

Beach vendors sell jewelry (sometimes old men have a few natural pearls, unstrung), wallets, and food.

If you have trouble walking, be careful in downtown Porlamar. Many of the streets are being resurfaced and paved, and some curbs are abnormally high and difficult to negotiate until re-paving.

Crime: Expatriates say thefts can occur if you leave packages in your car. Violent crime is virtually unheard of.

Visas: Airlines issue tourist cards valid for 30 days (with renewals up to 90 days).

If you want to live in Venezuela, the next step is a transient (transunite) visa, issued only by consulates outside Venezuela.

This visa allows you to visit Venezuela for commercial reasons and sign certain contracts. It can later be converted to a resident visa. You must have a transient visa to buy property. Real estate agents can often expedite



paperwork.

You will need a national identity card if you plan to live here. Apply in Caracas after you arrive with your transient visa.

If you have a resident or transient visa, you can't leave Venezuela without proving you have paid taxes.

You may obtain a work permit if a Venezuelan company prepares a contract and verifies that they will hire you. You need a transient or resident visa to work.

Taxes: Airport departure tax from Margarita is less than \$1, and, from Caracas, about \$5. There are no sales or meals taxes.

Property taxes vary from town to town, but are small.

You pay income tax only if you earn more than about \$2,200 in a year.

If you have a transient visa, you pay about 20% (but rates fluctuate) of your gross income in taxes for the first six months, then pay at regular rates. Income tax is progressive, with the highest rate at 45%.

Holders of resident and transient visas must also pay entrance taxes and higher departure taxes than tourists.

Some say certain income you earn in the U.S. might be taxable here, such as pensions. Others say no, because U.S. and Canada have said they can't police this. Be sure to consult a tax advisor.

Estate duties are much lower if heirs are descendants of the deceased. Highest tax is 50% assessed on the share each heir received, not on the estate as a whole.

As long as the deceased passes on primary living quarters to relatives, that home is exempt from estate taxes.

Capital gains is a progressive tax depending on the amount of gain. Highest is 50%. The tax is paid before your sale is finalized. You can deduct the cost of a real estate commission and price of improvements to your home.

Property transfer tax is \$1 for every \$1,000 of the selling price.

Business people may be subject to taxes on their salary while they travel here on business. Consult an attorney.

Buy, Build, or Rent:

You can buy apartments, houses, and land.

Persist until you find a realtor who speaks fluent English. Beware: many will ask you what you want to pay for a property, rather than tell you a specific price.

Ask real estate and rental agents for references.

A common practice is the pre-selling of houses or apartments before they are built. You put a deposit down, then pay in stages until the project is finished. A local bank administers the funds.

Many people have successfully bought this way. If, however, the developer runs out of money or sales don't go well, you could lose. Be sure to get sound advice.

The most desirable residential areas now are Playa el Agua, about 14 miles from Porlamar; Pampatar, five miles from Porlamar and on the water; Porlamar, and Playa Guacuco, 11 miles from Porlamar.

There are no tall buildings outside Porlamar yet. Local zoning determines what can be built. Houses may not be right on the water, but have views of the sea, neighboring islands, and the mainland.

Brochures describing property may be in Spanish. Be sure to get any legal documents translated into English.

Some housing projects, abandoned after devaluation, are under construction again. Be sure to verify the status of a project.

Ask about guarantees and promises, and liquidated damages if problems develop.

Overview of Market: The market appears to be very active, with some property sold in a few days or weeks. Islanders say some people have doubled their investments.

Finding Property: Ask reputable business owners and other expatriates for leads and referrals. Be careful about buying through private sale — land may never have been registered to avoid taxes and there is no guarantee that you'll hold clear title.

Insurance: Coverage against fire, robbery, and earthquakes is available.

Legalities: Appraisers aren't really used here.

Be sure you hold clear title to your property. A recorded history of ownership covering several years is very valuable.

Real estate agents can expedite paper work involved in purchasing property.

Be sure you understand what documents need to be notarized.

Closing costs could be less than \$500.

Buy: Houses, apartments, and condominiums range from about \$23,000 to a very few at \$195,000.

Most apartments are \$25,000 to \$75,000.

Generally, apartments are comparable to those in the U.S., but often will have little laundry areas and be decorated with many kinds of tiles.

Apartment buildings are of concrete with some wood trim.

Some complexes are to have pools, tennis courts, bars, and restaurants.

If projects don't sell well, these amenities might be eliminated. You might feel more secure if you buy an apartment in a completed building.

Condominium fees may be payable only when repairs are done.

Houses are of stucco over cement block, with red clay tile roofs, wood trim, and ornate metal grillwork.

Most of the more expensive homes have servant's quarters.

Build: Land costs \$2 to \$1,000 per square meter (one square meter is 10.75 square feet). Highest prices are for commercial property. Prices depend on location and distance from the waterfront. All beaches are public.

Some tracts of land near the water are very large, and owners won't subdivide.

You need architectural drawings. These could be done by a U.S. architect, then examined and signed by an architect here.

Building takes about a year. Plan on about \$250 per square meter for an average home.

Utilities: Government subsidies make some foods, gas, and utilities cheaper than on some islands.

Electric current is 120 volts, 60 cycles, same as in the U.S. Outages do occur, but not frequently.

Electricity is cheap: plan on about \$10-\$25 per month.

If you build far from another house, however, you might pay several hundred dollars to get poles to your property.

Bottled gas is available for cooking.

Water supply can be a problem. Water is piped from the mainland, but farmers have been diverting some of it for their own use so pressure has dropped. The government has promised to remedy this.

Be sure you have adequate water storage facilities. Some areas have sporadic supplies of government water; others have no problems. A second underground line from the

mainland is being built.

Some houses have water storage tanks on the roof. You can buy water treatment filters to chlorinate drinking water.

You might want two water supplies, one for drinking and one for washing and showers.

Water costs about \$40 per year.

Central air conditioning is rare, but room air conditioners are common. Stores, offices, and hotels are air conditioned.

Telephone: To reach Margarita, dial 011 58 95, then a five- or six-digit number. Calls to and on the island are generally clear; not so clear calling out.

You may wait weeks or months for a telephone unless the property you buy has an established phone line.

Your bill itemizes international calls, but not in-country calls. Minimum monthly charge is about \$2.50.

Collect and credit card calls are usually not allowed from Venezuela to the U.S. Long distance rates, we're told, may soon go up. Businesses have telex equipment.

Rent: You can rent your apartment or house to others.

Read your rental contract carefully, whether you're a tenant or landlord. Be sure that you have recourse if a tenant won't pay, or sublets your apartment to someone who won't pay. Get references from prospective tenants.

You may find it easier and less worrisome to have a rental agent on the island act in your behalf, who then has a vested interest in collecting rents for you.

Fees for this service average about 25% of what the apartment or house makes in rent and includes maintenance.

It's difficult to rent an apartment for one month or less. You'd charge or pay a daily rate of about \$13-\$60. Fees for longer rentals are \$175-\$225 per month and higher; for houses, \$200-\$500 per month.

Longest lease is generally six months. Unfurnished apartments are scarce.

You may need to pay a security deposit.

Find out about rentals from real estate and travel agencies on the island, and from islanders themselves. Some will rent directly to visitors. Also contact:

Venezuelan Government Tourist and

Information Center

450 Park Avenue

New York, NY 10022

Telephone: (212) 355-1101

The Economy:

Tourism is now the mainstay of Margarita's economy, with construction and fishing also playing a part.

In 1979, the island had 500 visitors; this year, 50,000 are expected. Margariteños are still learning to cope, but could do much more to promote the island.

Two little tourism stands downtown are

rarely open.

The island has two large hotels, and about 20 smaller hotels, inns, and apartment hotels.

MIRA (Avenida Santiago Marino, Edificio Carcaleo, Suites, Apartamento 2-A, Porlamar, Isla De Margarita, Venezuela) is a good source of information once you get to the island, but can't be mailed.

Inflation: The current rate is 15-16%.

Unemployment: Statistics for Margarita aren't available, but economic growth has brought more jobs to the island. Islanders say there are jobs for those who want work.

Unofficial estimates of unemployment on the mainland are 13-20%.

Minimum Wage: It has been raised to about \$100 per month.

Incentives to Investors: Venezuelan officials have revised some regulations to attract more foreign investment.

They welcome investment in agriculture, agri-business, tourism, construction, electronics, bio-technology, and companies that export 60% of their output with 50% of local content.

For information, first write to:

Embassy of Venezuela

Commercial Section

2445 Massachusetts Ave. NW

Washington, DC 20008

Tax concessions and holidays are available. Be sure that your business can operate profitably despite new import duties.

Contact business people on Margarita or the Venezuelan-American Chamber of Commerce for information on small businesses. Islanders advise you to come to the island, look around for opportunities, and establish connections that will help you cut through red tape.

Investment Outlook:

Despite the economic blows Venezuela has suffered, there is cautious optimism among business leaders on Margarita and Caracas.

They feel President Lusinchi is taking proper austerity measures to help the economy, which they admit will never return to the days when oil sold for far more than it does now.

Lusinchi's government has also won the confidence of foreign bankers, who agreed to let Venezuela re-negotiate its foreign debt.

Whether the real estate market on Margarita will remain as active as it now appears to be is unknown. Islanders say 16,000 new apartments are needed to meet housing demands just from Venezuelans.

If inflation continues, real estate prices will rise over time.

Margarita warrants a closer look: be cautious, though, and don't expect to find the North American ways of doing things here.





UNITED STATES DEPARTMENT OF COMMERCE
International Trade Administration
Foreign Commercial Service
American Embassy
APO Miami, 34037

INSTRUCTIONS - IMPORTRI

EXHIBITION HOURS: Friday 28 and Saturday 29: from 4:00 to 10:00 p.m.
Sunday 30 from 3:00 to 10:00 p.m.

PAYMENT: We must receive your check no later than July 15.

VISA: Businessmen must request from a Venezuelan Consulate a "Transeunte Visa". This entails a fee of Bs. 1,000 after arrival; an income tax payment of 20% of your income for the number of days in country, and an exit tax of Bs. 400 upon leaving. We have made arrangements with a travel agent who will do the leg and paperwork for a small fee.

Knowledgeable visitors request a tourism visa, which does not require any of the taxes. While this is not strictly legal, the secret is not to tell the immigration officials that you are coming for business. Most airlines are allowed to extend tourist cards valid for up to thirty days.

TRAVEL: - Pan American flies daily from Miami and from New York and arrives at night. Thus, you must overnight in Caracas to take the morning flight from Caracas to Margarita (Porlamar). Avensa, a Venezuelan airline, also has daily flights from Miami and New York, arriving during the morning, which would allow you to take the noon Avensa flight to Porlamar (Margarita). Avensa has promised to help with customs, immigration and transfer. If we have sufficient notification of your arrival in Caracas and Margarita we will make arrangements to meet you at both airports to assist with your arrangements. Taxis from the airport in Margarita to the Hotel Bella Vista cost about Bs. 100 and the ride takes around 20 minutes.

EXHIBITION GOODS: Many of the participants will bring products whose import to the mainland is prohibited, such as foods, clothing, footwear, costume jewelry and others. Since you have to pass through customs and immigration at the Caracas airport of Maiquetia, this could present a problem. The chief of customs at Maiquetia has advised us of the following: pack exhibition samples separately, make arrangements with the airline for accompanied airfreight, address the material to yourself at Aeropuerto Porlamar, where you will pick it up. In this manner, the material will not pass through customs at Maiquetia but at Porlamar, where the import is permitted. We will talk to the airlines here to assure transfer of your goods from the international to the domestic flight.



ARRIVAL: Your hotel reservation has been made beginning Thursday, August 27, in the late afternoon. This gives you sufficient time on Friday, opening day, to arrange your displays in your booth, since the show will open at 4 pm.

CLOTHING: Margarita is a resort island and informal dress is common. Bring one suit for the opening cocktail. During the show, slacks and shirt are adequate.

TOURS: If you wish to bring your family, they will enjoy the pool and the beaches. Tours to many attractions on the island and to different beaches are available. Boats can be rented and there are snorkeling, swimming and diving trips.

A cocktail reception has been arranged which will include Ambassador Otto Reich, Governor Morell Rodriguez and two hundred leading businessmen and potential agents for your products. The hours will be 7 pm to 9 pm on Friday August 28.

Thank you for joining our consumer goods event and we will see you there.

SCOMM

65:8

The Anchorage Times

SATURDAY MORNING, JUNE 13, 1987

25¢

State considers Expo '88 display

By Debbie Reinwand
Times Writer

The state is considering plunking down at least \$300,000 to participate in Expo '88 in Brisbane, Australia, and plans to siphon the funds from the Alaska Division of Tourism budget, a state memo shows.

In a May 26 missive to Gov. Steve Cowper, Kelley Hegarty,

Lawmakers in dark about plan

deputy commissioner of the Department of Commerce and Economic Development, outlined the department's proposal to take part in the worldwide exposition.

So far, there appears to be no legislative oversight in relation to the potential expenditure.

House Finance committee member Steve Rieger, R-Anchorage, doesn't recall any discussion on Alaska's participation in Expo '88, and said legislators would likely have some questions about the expenditure, if in fact the money is used for that purpose.

"We'd probably want to know if this is the highest and best use of this money," Rieger said. "I'm sure we'll also want information on what the clientele is and what benefit the state would reap."

Commerce Commissioner Tony Smith said no decision will be made to proceed until all the facts have been reviewed. "If we can in fact put together a decent package for \$300,000 and see a benefit, then we'll do it," he said.

The state tourism division, from which Hegarty and Smith

See Expo, page A-12

Expo: 2 visit site

Continued from page A-1

plan to pull the seed money, is not involved in the effort, a spokesman said.

"At this point, we have no people involved in the project," said travel development specialist John Pearson.

Yet Hegarty's memo makes it clear the money is to be lifted from tourism's fiscal year '88 budget.

"Commissioner Smith has identified \$300,000 in the Division of Tourism budget . . . which he would propose to use for Expo '88 funding," Hegarty wrote.

But in outlining the pros and cons of the venture, Hegarty acknowledged that there were disadvantages to participation.

"Shortsighted members of the public may very well view this as an extravagant expenditure of state revenues in a time of austerity," Hegarty concluded.

The United States Information Agency, which is organizing the U.S. display, has assured Hegarty the price would not exceed \$300,000.

Smith said that includes staffing at the event, but does not include the physical display. "I've been talking to some people, like the AOC (Anchorage Olympic Committee) about using their exhibit, which is in storage now. That's one possibility," Smith said.

The commissioner said there is also a possibility that up to half the funds could be solicited from private groups, such as the AOC.

Senate Finance co-chairman Don Bennett, R-Fairbanks, said he was dismayed at the proposal to take \$300,000 from tourism's budget and divert it to Expo '88 without legislative oversight.

"I'm not sure how they can do that with no public testimony and no public hearing," he said. The finance leader also questioned what the state's final investment will total.

"This looks like it could just be the beginning of the tab and I'm wondering how much the whole show will cost," Bennett said. "I'm kind of surprised they would come up with this less than 30 days after the legislature adjourns, when someone must have known about it for several months."

In fact, Hegarty was working on the proposal in late April or early May, her memo indicates. She attended a May meeting in San Francisco with American organizers.

There she learned that Alaska would be represented in the United States pavilion at a cut-rate price. Hegarty said that price was negotiated partly because a group planning to set up a large restaurant withdrew from the exposition.

When that plan fell through, there was a big chunk of unfilled space in the pavilion, and members of the American Expo '88 delegation approached Alaska, Washington, Oregon, California and Hawaii, offering them a deal.

The only states that are now pondering the idea are Alaska, California and Hawaii, Smith said.

This week, Hegarty has been in Australia meeting with the Expo '88 officials and will return Monday, Smith said. A decision will be made within several weeks.

Hegarty was accompanied on the trip by James Wright, who is working on contract with the Alaska Power Authority. The airfare for both was picked up by the USIA, Smith said.

When asked why Wright, an APA contractor, was selected to

make the journey, Smith said a tourism division worker was asked to go, but had a scheduling conflict.

"James has been very interested in Expo and we thought he would be able to get a better perspective than Kelley or I on where things are and what the state could expect if we participate," the commissioner said.

Alaska did not set up a display at Expo '86, which was in Vancouver, British Columbia, because state leaders deemed the event too expensive.

Despite that decision, tourism officials embarked on a marketing effort to lure tourists on side trips from Expo '86 to the 49th state.

In her memo, Hegarty justifies the idea of Alaska representation at Expo '88 by saying the state was criticized for not taking part in 1986.

"In-state criticism focused on the feeling that we had missed an important opportunity to showcase Alaska as both a tourism destination and a trading partner in a well-attended international arena," she wrote.

However, the tourism division reported that 1986 visitor figures increased dramatically and attributed much of that rise to spillover from Vancouver's international exposition.

Bennett said a similar situation arose several years ago when state leaders "put some seed money in the Silver Anniversary Commission, then came to us for the balance. We ended up killing the whole thing."

Hegarty said another selling point for the state is the ability to push its bid to secure the 1994 Winter Olympics.

Decision on Expo '88 is awaited

By Debbie Reinwand
Times Writer

State officials are expected to decide in the next week or two whether to spend a minimum of \$300,000 to participate in Expo '88, located in Brisbane, Australia.

The state's two-person delegation to the Expo '88 site returned Monday and will file a report within days, said Commerce and Economic Development commissioner Tony Smith.

One of Smith's sergeants, deputy commissioner Kelley Hegarty, visited Australia last week and met with representatives of the worldwide fair, along with contractor James Wright.

Wright is under a one-month, \$2,500 contract with the Commerce Department to evaluate the pros and cons of Expo '88 participation, as well as prepare a preliminary budget for the state, Hegarty said. He also has a 3½-month contract with the Alaska Power Authority, which runs through July 15.

Hegarty's initial report is due out next week, while Wright's "in-depth, detailed report," is expected to follow, she said.

"It was a very productive trip for us. We were over there speaking very favorably about the state's possible participation," she said.

"I hope our reports will provide sufficient details that a decision can be made very soon."

Some legislators have questioned the state's participation in Expo '88 for several reasons, including the estimated cost. Originally, to buy an exhibit space at Expo '88 would have carried a \$1.5 million price tag, but the withdrawal of a large exhibitor forced the promoters to offer a cut-rate deal to several western

See Expo, page B-8

B-8 Thursday, June 18, 1987, The Anchorage Times

Expo: Expectation

Continued from page B-1

states, including Alaska.

With the lower price of \$300,000, the offer is more favorable, Hegarty said.

That still doesn't appease a group of legislators who say the issue should have had more public discussion.

"We did present the plan to the division of tourism budget subcommittee," Hegarty said.

However, Senate Finance Committee co-chairman Don Bennett, R-Fairbanks, said an appropriation of that size should receive more review than a briefing.

In addition, he and other lawmakers are bothered the funds

for Expo '88 are slated to be drawn from within the Division of Tourism.

Hegarty said other potential exhibitors encountered similar criticism in their home states.

"Quite a few of the participants said they were finding the press is critical of the expenditures of public money for this purpose... the press and public don't understand the value of this type of participation," Hegarty said.

Once all the reports have been put together, Smith is expected to decide fairly quickly, Hegarty said, since time is running out. Most nations that prepare Expo displays put more than a year of planning into their exhibits, she said.

State considering tourism exhibit at Australia exposition

The Associated Press

State officials are considering spending \$300,000 on an exhibit at a worldwide exposition in Australia but questions are being raised about where the money will come from.

In a memo last month to Gov. Steve Cowper, the deputy commissioner of the Department of Commerce and Economic Development suggested the money come from the Alaska Division of Tourism. But Commerce Commission Tony Smith said Friday no decision has been made on funding.

"If we can in fact put together a decent package for \$300,000, and see a benefit, then we'll do it," he said.

But the Division of Tourism apparently isn't part of the decision-making process.

"At this point, we have no people involved in the proj-

ect," said John Pearson, travel development specialist.

Alaska did not set up a display at Expo '86 in Vancouver, British Columbia, because officials deemed the event too expensive. Deputy Commerce Commissioner Kelley Hegarty told Cowper similar opposition may be forthcoming for the Expo '88 plans.

"Shortsighted members of the public may very well view this as an extravagant expenditure of state revenues in a time of austerity," she wrote.

But she pointed out the state was criticized for not taking part in Expo '86.

"In-state criticism focused on the feeling that we had missed an opportunity to showcase Alaska as both a tourism destination and a trading partner," she said.

Tourism officials did launch a marketing drive to

lure tourists on side trips from Expo '86 to Alaska. The Division of Tourism reported 1986 visitor figures rose dramatically and the spillover from the Vancouver exposition was credited as one of the factors.

Hegarty said another selling point for the state is the

opportunity to promote Anchorage's bid to secure the 1994 Winter Olympics.

Smith said he's been talking to the Anchorage Organizing Committee about using its exhibit, which is in storage.

The \$300,000 sought for the event would cover only staff-

ing, not a display.

Smith said up to half the money for the exhibit could be solicited from private groups like the AOC.

Several legislators wondered why they weren't advised about the exposition plans.

"We'd probably want to know if this is the highest and best use of this money," said Rep. Steve Rieger, R-Anchorage, a minority member of the House Finance Committee. "I'm sure we'll also want information on what the clientele is and what benefit the state would reap."

SCOMM

65:9

**ALASKA
TRADE AND FRIENDSHIP MISSION
TO THE SOVIET FAR EAST**

OCTOBER 19-29, 1988



**ALASKA GOVERNOR'S OFFICE OF INTERNATIONAL TRADE
3601 C STREET, SUITE 798
ANCHORAGE, ALASKA 99503**

Alaska-Soviet Far East Trade Mission Report Khabarovsk, Primorskii, Magadan Territories

Between October 19-29, 1988 eight representatives of Alaska businesses and government traveled to Soviet Asia to promote trade relations and strengthen ties between Alaska and the Soviet Far East. The delegates met with officials from Khabarovsk, Primorskii, and Magadan territories.

Key Accomplishments

- Signing of first ever Sister-State Agreement between U.S. State and Soviet counterpart: Alaska and Khabarovsk Territory;
- Signing of three separate protocol agreements detailing plans for commercial, cultural, educational and recreational exchanges between Alaska and Khabarovsk Territory, Primorskii Territory and Magadan Territory;
- Establishing commercial ties between several Alaska entrepreneurs and Soviet Far East entities. Highlights of business negotiations pending: establishment of joint ventures in fisheries; development of a telecommunications system between Alaska and Siberia ; exchange of retail goods; mining tours/exchanges, Soviet arctic shipping capabilities; transfer of technology, marketing, packaging and processing of reindeer products; and tourism projects including the exploration of air cargo service between Alaska and the Soviet Far East and the establishment of the Nome/Provideniya air transportation link with the possible expansion of air route service to Magadan, Anadyr and Khabarovsk.
- Delivery and promotion of over ten Alaska business, academic and sports exchange proposals to Soviet Far East government officials;
- Establishment of academic exchange relations between University of Alaska Southeast, Alaska and Khabarovsk Territory educational institution; proposal to exchange youth between school #1 in Magadan Territory and Soldotna school children; proposals to exchange students and commercial projects between youth at Alaska's Mt. Edgecumbe school and Khabarovsk schools with a special emphasis on Native culture and art.

CORRECTION

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

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back cover	Governor Cowper's Alaska Siberia Initiative Chronology

This report was prepared by Ginna Brelsford in the Governor's Office of International Trade. If you would like additional copies or are seeking trade relations with the Soviet Far East, you can contact the Office of International Trade at 907•561-5585.

Alaska-Soviet Far East Trade Mission Report Khabarovsk, Primorskii, Magadan Territories

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Summary of Soviet Far East Itinerary

- | | |
|-----------------------|---|
| October 19, 20 | Travel between Alaska and Khabarovsk Territory via Niigata, Japan |
| October 21 | Arrival in Khabarovsk Territory, USSR |
| October 22-24 | Business/Government meetings in Khabarovsk |
| October 24-26 | Travel to Vladivostok for Business/Government meetings. Signing of Alaska-Primorskii Protocol. |
| October 26-28 | Return to Khabarovsk for Business/Government meetings with officials from Magadan Territory and to continue discussions with Khabarovsk Territory officials. Signing of Sister-State Agreement/Protocols. Departure for Niigata, Japan. |
| October 29 | Return to the United States. |

"It is a great personal honor to represent the state of Alaska at this historic juncture in U.S.-Soviet relations. It follows Governor Cowper's mandate for Alaska to move beyond its borders into the international arena."

Garrey Peska, Chief of Staff and delegation leader

Trade Mission Participants: Economic Diplomacy

A sense of historical optimism, entrepreneurial ambition and excitement defines the Alaskan character. A trade delegation of eight Alaskan government and business officials traveled to the Soviet Far East to pioneer another frontier: the political and economic landscape of a dramatic landmass and cultural system in the Soviet Far East territories of Khabarovsk, Primorskii and Magadan.

These Alaskans discussed telecommunications, transportation, high-tech arctic engineering/mining, resource management and rural commercial distribution networks. Their unique challenge was to negotiate government-to-government and business projects with key Soviet officials who, for generations, have lived within a planned economy. It was, in essence, a crash course for both sides in communication about capitalist economics and five-year plans.

Trade mission delegates represented a diverse group of Alaska business and government leaders. All participants have devoted considerable resources — financial, political, time — toward establishing economic ties with the Soviet Union.

Delegation

Delegation leader: Garrey Peska, Chief of Staff to Governor Steve Cowper

Bruce Kennedy, CEO and President, Alaska Airlines

Bill Phillips, President, Alaska Joint Venture Seafoods

Samuel Salkin, President, Alaska Commercial Company

Ronald Sheardown, President, Greatland Exploration, Ltd.

Lee Wareham, Senior Vice-President, Alascom

Ginna Brelsford, International Trade Specialist, Governor's Office

Elisa Miller, Soviet Business and Trade Specialist and Mission Coordinator

"A value of this trip for me is that I was able to meet with the premiere arctic shippers in the world. We held discussions on transportation corridors and shipping mine ore concentrates from Lost River (outside Nome, Alaska) to a Soviet smelting plant where the ores would be processed. Soviet vessels would then be used to ship the ore to Pacific Rim nations and could operate year around because of their arctic expertise. We had substantial discussions and there is extreme interest in shipping and joint processing. We also discussed an exchange of technical mining delegations as well as an Alaska Miners Association Arctic Mine Tour."

**Ronald Sheardown, President,
Greatland Exploration Ltd.**

"Officials from Aeroflot, Intourist and Alaska Airlines noted with pleasure that they had worked together effectively on a series of summer tourist charter programs involving flights by Alaska Airlines to Khabarovsk and Leningrad during 1970, 1971 and 1972. During our talks in Khabarovsk, Alaska Airlines indicated that its current priority is obtaining final Soviet approval for weekly summer tourism flights connecting Provideniya with Nome, Alaska beginning in June 1989. I also indicated interest in extending tourist flights to Anadyr from Nome and to Magadan from Anchorage, possibly as soon as 1990."

Bruce Kennedy, CEO and President, Alaska Airlines

"The essence of the direct value of this trip — nut and bolt value — was that I sat down with the Soviet communications engineer and hashed out the first basic communication network between Alaska and the Soviet Far East. Now, these are two technically oriented people discussing a technical solution to a problem of communication. We designed an efficient and economical way to solve the problem. The policymaking happens on a different level. We designed a multi channel UHF radio link between Provideniya and Gambell. It will involve bilateral negotiations between the Soviet Ministry of Posts and Telecommunications and the U.S. State Department and the Federal Communications Commissions."

Lee Wareham, V.P. Operations, Alascom

KHABAROVSK TERRITORY

The Alaska trade delegation was invited to Khabarovsk to sign a sister-state agreement and to conduct specific business meetings on mining, fishing, forest products, tourism, trade of consumer goods, and communications. Two working days were spent in individual meetings, in seminars describing the new business environment and in official functions by invitation of the local government. State-to-State matters included signing a Sister-State Agreement and discussion of educational, cultural, sports exchanges (including native peoples of the region). The Sister-State Agreement was signed by Mr. Peska and Mr. Vozhevitov (Deputy Chairman of the Executive Committee of the Khabarovsk Territory) on 27 October 1988.

"The special significance of this agreement is that other states in the United States and in the Soviet Union can follow our example and establish ties with one another as well. We are so proud to have this happen in the name of both peoples."

**Chairman, Executive Committee Daniluk,
Khabarovsk Territory**

"The signing of a first ever Sister-State Agreement between Alaska and Khabarovsk Territory indicates the commitment and vision leaders from both areas have to forge closer ties. This document (the Sister-State agreement) is to be a working document that provides the necessary political and economic muscle to realize commercial, cultural and economic exchanges."

Garrey Peska, Chief of Staff and delegation leader

**Agreement
to Establish Sister-State Relations between
the State of Alaska (USA) and
the Territory of Khabarovsk (USSR)**

In order to establish long-term and friendly ties between themselves, the State of Alaska and Territory of Khabarovsk officially enter into a sister-state relationship.

Given the fact that establishing friendly ties between regions is one of the factors contributing towards peace and towards the mutual understanding and cooperation between peoples, and considering the common wish of the citizens of the State of Alaska and the Territory of Khabarovsk to contribute their share to the development of good neighbor relations between the USA and the USSR, the plenipotentiaries of the Governor's Office of the State of Alaska and the Executive Committee of the Khabarovsk Territorial Soviet of People's Deputies herewith sign this Agreement to establish sister-state relations between the State of Alaska and the Territory of Khabarovsk.

In the spirit of sister-state relations, both sides express their readiness to cooperate in the following general areas:

exchange of official delegations: specialist in regional problems, tourist groups, representatives of science, technology, economy, art, literature, culture, youth and sports;

exchange of information on different cultures and the activities of local governments, having in mind that these exchanges can facilitate a deeper understanding of each other's experience with economic development, trade, education, provision of social and health services, culture and sports.

Both sides will strive to find other areas and forms of cooperation that represent their mutual interests.

Specific programs of exchange and cooperation will be agreed to each year between the Governor's Office of the State of Alaska and the Executive Committee of the Khabarovsk Territorial Soviet of People's Deputies.

**Summary of
Khabarovsk Region proposals to State of Alaska:**

Forest Product Industry: Investigate, with the State of Alaska, the possibility of the construction of a joint venture for the processing of wood and the possibility of a sale to the enterprise, Dalesprom, of modern wood processing machinery and advanced technology.

State of Alaska action: Disseminate inquiry to forest product industry.

Fishing Industry: Study the question of fishing hake in the U.S. 200 mile zone with fishing vessels of Khabarovsk Fishing Industry Enterprise, Khabarybprom, and the possible acquisition by the Soviet side of cutting/fish processing equipment for filets.

State of Alaska action: Office of International Trade to work with fishing industry and the regulatory bodies to address hake question and fish processing equipment needs.

Air Transport and Tourism: April 1, 1989 deadline for American and Soviet exchange of ideas for the organization of flights between Anchorage and Khabarovsk with a landing in Magadan by Alaska Airlines Boeing 737 and Soviet planes TU-154 or IL-62 of the Far Eastern Division of Civil Aviation with frequencies and times according to negotiations and based on demand.

With the help of State of Alaska, locate tourism firms to work with the Khabarovsk Department of Intourist to explore organizing an August through September 1989 series of tourist programs between Khabarovsk and Anchorage.

Explore an air route between Khabarovsk and Anchorage taking into account the following factors: that Khabarovsk is ready and is realizing an international air route — Niiigata/Penyang/Kharbin; that the base for a tourist industry in the city exists with a growth potential; the airport in Khabarovsk connects non-stop flights to Tashkent, Kiev, Moscow, Leningrad, Simferopol, Mineral Waters, Krasnoyarsk, Irkutsk, Novosibirsk, Magadan, Anadyr; there are direct flights to Europe's largest cities via Kiev, Leningrad, Moscow, Tashkent.

State of Alaska action: Work with Division of Tourism to coordinate tourism industry response to Khabarovsk proposals. Assist, when appropriate Alaska Airlines efforts.

Service Industry: Investigate the possibility of sending to the Soviet side, equipment and instruments for chemical and microchemical factories, for hairstyling, sewing and shoe repair.

State of Alaska: Issue information as trade lead in trade newsletter and work with appropriate industries to ascertain interest.

Cultural Exchanges: Concert ensemble, Dalnii Vostok (Far East) of the local Symphony (40-50 people); Chamber orchestra of the local symphony (20 people); Exhibition of Art (50-200 pieces of work); Folk Groups (2-3 groups of 17-25 people each); and traveling exhibit from Regional Museum.

State of Alaska action: Work with state arts groups, native groups and museum to implement exchange proposals.

School children/teacher exchanges: Exchange art exhibits of school children and other "technical creations;" celebrate common festivals (Children for Peace); exchange delegations (Children for Peace); conduct sports events among school children; organize in the State of Alaska, an auction of the works of Native children and exchange teachers.

State of Alaska action: Work with Mt. Edgecumbe, students/teachers at Soldotna schools, State Board of Education, and sports groups to implement proposals.

Sports Contacts: Yearly exchanges of sport delegations on a bezvalutnyi basis (hosts pay hotel, food, local transport) — all kinds of sports, such as skiing, figure skating, hockey, swimming, basketball, light athletics, native sports, baseball.

Jointly conduct training groups, exchange trainers.

Participate in international tournaments taking place in Alaska and in Khabarovsk.

State of Alaska action: Transfer information to state/local sports teams; facilitate with government support of letters when necessary.

**Presented by Deputy Chairman A.M. Vozhevitov,
Khabarovsk Territorial Executive Committee**

Summary of Alaska Meetings in Khabarovsk Territory

Cultural Exchanges/Native to Native Exchanges: Proposal to have two exchanges of Alaska Native groups to the Soviet Far East and for Alaska to receive two Native delegations to Alaska annually; Exchange of Natives in sports events such as the Eskimo Olympics to be held in Alaska. Both sides will seek visa waivers for travel.

Mr. Garrey Peska presented these ideas during a meeting with Mr. O.D. Zakosovskii, Chief of Section, National Peoples of the North, Territorial Committee.

Sports Exchanges: Anchorage Olympic Organizing Committee will issue invitations to the Chairmen of Sports from both Magadan and Khabarovsk Territories to attend the World Junior hockey championships in Anchorage, Alaska in December 1989 and to attend the world junior Alpine Championships in March 1989 in Alaska.

AOC and the Governor's Office will promote youth sports exchanges in hockey as well as high school and university level exchanges; also, covers other sports such as skiing, skating and basketball.

Educational Exchanges: Chief of Staff Peska issued invitation on behalf of the University of Alaska Southeast to exchange faculty and students. Also, Mr. Peska indicated he will contact Mt. Edgecumbe to pursue exchanges of students.

Telecommunications: Alascom and Ministry of Posts and Telecommunications Regional Branch conceptually identified the communications system proposed to be used in the first direct connection between Provideniya and Alaska.

Retail: Alaska Commercial Company (ACC) is exploring an exclusive North American marketing agent for Siberia products made from local gems and minerals. Mr. Salkin of ACC will take sample inventory of Siberian goods to Alaska, assess market and determine prices and estimate sales volume.

Khabarovsk Consumer Coop and ACC agreed to exchange a comprehensive inventory list for sale, average selling price and ACC will determine level of interest in American market. The emphasis is on furs and botanical samples to be submitted for a "similarity of quality" test. Mr. Salkin will seek out a distributor of remote industrial laundry and dry cleaning equipment for Khabarovsk Services Department.

Mining: Alaska Miners Association will organize Soviet Far East mining tour and proposes to exchange mining delegations with Khabarovsk.

Alaska Airlines: Alaska Airlines' current proposal and priority is to obtain final Soviet approval for weekly summer tourism flights connecting Provideniya with Nome, Alaska beginning June 1989.

Alaska Airlines indicated interest in extending tourist flights to Anadyr from Nome and to Magadan from Anchorage, possibly as soon as 1990.

Aeroflot officials urged Alaska Airlines to seek Magadan as a technical stop on an Anchorage/Magadan/Khabarovsk routing.

Alaska Joint Venture Seafoods: Several business proposals pending; President Bill Phillips will follow-up with further negotiations.

Other Alaska-Soviet Business Proposals

In addition, Chief of Staff Peska presented a number of Alaska business/educational/sports exchange proposals to Soviet authorities for consideration. The proposals reflected the interests of Alaskans unable to participate in the Trade Mission; they were gathered by the Governor's Office of International Trade. Proposals included:

- Alaska Pacific University — Pioneers Sports Exchange
- Calista Well Services
- University of Alaska Southeast • Cone Alaska
- Key Fisheries Management Group, Ltd
- ISMC
- Independent Cordova Alaska Fish
- PlanGraphics
- Southcoast
- Wrangell Forest Products
- Reindeer Industry Information
- Indian Valley Meats
- Northern Air Cargo Reindeer inquiries
- Alaska Reindeer, Inc.

List of Soviet Officials Alaskans met with in Khabarovsk

V.M. Andreen, Chair, Comm. Physical Education and Sport of Territorial Exec. Committee

E.I. Bogdanov, Director, Institute of Mining

O.D. Zakosovskii, Chief of Section, National Peoples of the North, Terr. Ex. Committee

V.G. Kamyshenko, Chair, Consumer Cooperative, Terr. of Khabarovsk

M.V. Kruglikov, Chair, Chamber of Commerce, Khabarovsk

E.B. Milovanov, Deputy of Far Eastern Economic Region, GOSPLAN

V.S. Ponomarev, Deputy of Intourist Office for Khabarovsk Region

V.H. Potapenko, Chief of Dept. of Education for Terr. Ex. Committee

O.M. Renzin, Chief of Section, Inst. of Economics Research, Academy of Sciences, Far East

V.V. Safonov, Director, Amurskii Division of TINRO

V.P. Safronov, Director, General Director of firm "Khabrybprom"

N.I. Seliutin, Chief of Dept. for Coastal Trade of Terr. Ex. Committee

V.I. Skrypnik, Chief Far Eastern Division of Civil Aviation

V.Ia. Stpokov, Chief of Department for Consumer Services of Terr. Ex. Committee

V.H. Tikhonov, Deputy Chair Planning Commission, Terr. Ex. Committee

PRIMORSKII REGION (VLADIVOSTOK)

The Alaska trade delegation flew from Khabarovsk to Vladivostok for two days of talks with government and industry personnel in Primorskii region. This was an extraordinary opportunity: the city of Vladivostok has been closed to foreigners and many Soviets for over 40 years. Alaska's trade delegation is among the first official state trade delegation to be hosted by Vladivostok authorities.

"The essence of my discussions was that it is possible to have trade in both directions for fur and medicinal botanicals. We agreed to share with each other a comprehensive list of what we have for sale and the average selling price. Based on that information, we'll determine whether we are interested in being a buyer or seller and if there is interest on either side or both sides. We will exchange furs and botanical samples and will test samples through a laboratory analysis for 'similarity of quality.'"

Samuel Salkin, CEO, Alaska Commercial Company

Meetings were held with the newly formed Association for Business Cooperation with countries of the Asia-Pacific; individual meetings were held on shipping, trade in consumer goods, communications. State-to-State meetings focused on exchanging information on fishstocks in the "Donut Hole," as well as establishing regular relations and exchanges in all areas. A protocol — or summary of meetings and discussions — was signed by Chief of Staff Peska and Mr. Bukhanstov (Deputy Chairman of the Executive Committee of the Primorskii Territory) on 25 October 1988.

"A main accomplishment of this trade mission was the evidence of Soviet responsiveness to Alaska business proposals. The Soviets were eager and willing to sit down and talk business details. They met us at the table, we didn't have to go to the other side of the room, find them and bring them to the table."

Elisa Miller, Soviet Business Consultant

**Summary of
Protocol between Primorskii (Vladivostok) and Alaska
on the meetings during the visit of the delegation from the State of
Alaska to Vladivostok 24 to 26 October 1988**

The visit of the Alaska delegation marks a first step toward the establishment of trade, economic, scientific and cultural ties between the State of Alaska and Primorskii Territory. Mutual interest was expressed to establish cooperation in the following directions:

1. **Fishing:** during a meeting at TINRO with Chief of Staff Peska, both sides agreed to the need to exchange information on Salmon and Pollock in the "donut hole." The American side accepted the TINRO invitation to participate in a scientific research expedition on board a Soviet ship in 1989.
2. **Ocean Transportation:** During a meeting with FESCO, FESCO demonstrated great interest in the Greatland Exploration proposals for the transportation of ores from the Arctic port to ports in the Soviet Far East, Southeast Asia and Europe.
3. **Trade Relations:** During a meeting with Kraipotrebosoyuz, both sides discussed the possibility of exporting Soviet goods to the USA on a barter basis for dried medicinal herbs, essential oils, honey and other goods in exchange for consumer goods imports from USA. The American side expressed the need for preliminary market research and laboratory analysis of selected products and agreed to provide the Soviet side with price information.

Both sides agreed to study methods of transporting goods as this is a key element to successful business relations.

4. **Telecommunications:** FESCO will study the Alascom proposal to offer assistance to FESCO ships working in the Eastern section of Chukotka in VHF and MV.
5. **Association for Business Cooperation for Asia-Pacific countries:** The Association leadership explained the purpose of the business association — that it will operate outside of the realm of government and have access to foreign capital and be permitted to trade directly with foreign nations using the special economic zones established in Nakhodka and Vladivostok. The Alaskans discussed the organizational and management structure of the Association and offered ways to raise capital, define services, market services and generally develop a functioning organizational structure.

The program to continue an exchange of delegations will be decided in the first quarter of 1989 and approved by each side. The initial stage of Soviet-American communication will be carried out through the Association for Business Cooperation for Asia-Pacific countries:

690110, Vladivostok
Ul. Leninskaya, 22
Primorskii Kariispolkom
Telex 213221 ASCO SU

Other Proposals: Chief of Staff Peska presented Alaska business proposals (already listed) to the Chamber of Commerce and the Association for Business Cooperation in Asia-Pacific countries.

Key Vladivostok Contacts/Meetings with Alaskans:

V. F. Lutsenko, Chairman, Ex. Comm. of Primorsky Region Soviet People's Deputy

N.D. Bukhantsov, Deputy Chairman, Ex. Comm. Primorsky Region

V. K. Lozovoy, Director General, Association for Business Cooperation with the Asia-Pacific

V. Arkhipov, Director, Association for Business Cooperation with the Asia-Pacific

G.I. Pikua, Vice-President, Far Eastern Shipping Company (FESCO)

I.K. Nikiforov, Manager, Public Relations, FESCO

V. Nagel, Project Manager, DALRYBA Central Design Bureau

M. Litvinenko, Chair, Primorskii Consumer Coop

V.D. Gavriliuk, Vice-Chair Chamber of Commerce

MAGADAN TERRITORY

"Alaska Joint Venture Seafoods, Inc. held extensive discussions with fishing officials from Magadan Territory. The discussions reviewed the operation and capability of both sides and explored areas for joint cooperation. The resources in the Soviet fishery conservation zone are substantial and they have been well managed. The Soviet side shares in the commitment of the U.S. industry to develop a means of controlling the unregulated fishing in the international zone of the Bering Sea. American fishermen have a friend and an ally in the fight for conservation in the North Pacific. Without the assistance of a government sponsored trade mission, I would not have gained access, as easily, to important Soviet officials."

Bill Phillips, President, Alaska Joint Venture Seafoods

Another working day was devoted to meetings with a delegation from Magadan Territory. A delegation of nine from Magadan, led by the Deputy Chairman of the Executive Committee, came to Khabarovsk for meetings on tourism, reindeer meat industry, mining, fishing, exchange of consumer goods — including art objects — and exchange of students in Soldotna, Alaska with students from School number 1 in Magadan.

In discussion and the resulting protocol, specific attention was given to joint efforts to develop coastal and border trade points between Nome, Alaska and Provideniya, Chukotka, and streamlining the travel procedures between these two points. Emphasis was also placed on the development of ties between native peoples in Chukotka and Alaska. A protocol — summary of business meetings and discussions — was signed by Chief of Staff Peska and Mr. Gagarinov (Deputy Chairman of the Executive Committee of the Magadan Region) on 26 October 1988.

**SUMMARY OF
PROTOCOL BETWEEN ALASKA AND MAGADAN TERRITORY
on the business meeting between the delegation from Magadan
Oblast and the delegation from the State of Alaska, which took place
in the city of Khabarovsk on 26 October 1988.**

1. **Coastal Trade:** Both sides agreed to apply to their respective governments (USSR and USA) with proposals to allow Coastal and Border Trade between Magadan Oblast and the State of Alaska, to permit visa waivers for travel between Nome and Provideniya and to simplify the visas for mutual visits to villages and cities in Magadan Oblast and in the State of Alaska.
2. **Tourism:** Organization of a tourist route between Nome and Provideniya with other possibilities in the future; the enterprise "Magadanpromokhota" is able to organize hunting and fishing tourist trips.
- 2.2 **Family Ties:** Development and growth of family connections of native peoples in Chukotka and Alaska, mutual visits of relations, exchange of native folk artists and groups, joint celebration of common native holidays, exchange of delegations of teachers and children with stays in homes, exchanges of students from higher education and exchanges of sports delegations. It is advised to include Intourist and the International Bureau, Sputnik.
- 2.3 **Reindeer Industry:** create in the village of Chaibukha in the North Evenskii region, a joint venture for the processing of reindeer meat; the Soviet side is able to contribute buildings, communications, raw materials, work force; the American side is able to contribute equipment and packaging material. In the future, it is possible to increase the number of such enterprises to five or six.

The Magadan Committee for Agriculture Industry is able to send to interested firms in Alaska skins, young horns and broken horns of the northern reindeer, and is willing to sell high quality female reindeer under F.O.B. conditions, that is export from the city of Peveka with transportation paid for by the purchasing firm.
- 2.4 **Consumer Goods:** The potential organization of a store in Anchorage to sell consumer goods produced by Magadan; the American side contributes the building, sales personnel and the Soviet side contributes goods. The money earned by the Soviet side will be used to buy equipment to serve the needs of the local population in Magadan Oblast.
- 2.5 **Fish/Equipment:** Study the possibilities for catching fish and other sea products, and the processing and marketing of these products. The enterprise "Magadanrybprom" is able to conduct exploration to define the reserves of sea mollusks.

- 2.6 Mining:** Explore cooperation in mining between Magadan and Alaska. The enterprise "Severovostokzoloto" is the appropriate Soviet entity to explore mining interests. By April 1989, a program will be clarified and an exchange of delegations on a hosts pays all basis for eight individuals may occur.
- 2.7 Communication:** The organization, given need, of direct radio, telephone and telegraph communications between Nome-Provideniya-Anadyr. Arrange a multicable line for connections between Provideniya and the island of St. Lavrentia using satellite and TV connections Nome-Anchorage-Anadyr-Magadan.
- 2.8 Transportation:** Work to open air passenger route between Anchorage-Magadan-Khabarovsk. Take into account that air freight between Magadan and Alaska can be managed by airplanes of the Magadan Department of Civil Aviation.

Key contacts who met with Alaskans:

Mr. G.T. Gagarinov, Deputy Chairman of Magadan Executive Committee

Mr. Otto S. Sukhanov, Director, State Design Institute
Dalstroiprojekt

L.M. Shaitanova, Director, School Number 1 in Magadan

V.N. Braiko, General Director, Ministry of Precious Metals and Diamonds, North-East Gold Mining Association

A.A. Russ, Deputy Chief, Freight Department, Civil Aviation Department

G.M. Shishkov, First Deputy Chair, Magadan Agricultural Committee

G.P. Guchek, Deputy Chief, Department of Civil Aviation.

"Each time I visit the Soviet Far East I'm struck by the overwhelming task facing Soviet citizens and authorities: the system requires a comprehensive overhaul. The tension between old and new generations of leadership — in their thinking — is tangible. Both sides devoted considerable effort trying to comprehend and stake positions towards negotiations. Choices and interests are muddled, solutions barely framed. Yet the struggle for understanding and action persists. Somewhere in that struggle lies the sense of possibilities that creates the new consciousness that glasnost and perestroika requires."

Ginna Brelsford,
Governor's Office of International Trade

Delegation Profiles

Delegation Leader: Garrey M. Peska, Chief of Staff, Governor Steve Cowper

Garrey Peska was appointed Chief of Staff in July 1987. As Governor Cowper's Chief Advisor, Mr. Peska oversees Cabinet members and the Governor's Office and spearheads the budgetary and legislative process.

Prior to serving as Governor Cowper's Chief of Staff, Mr. Peska served as Commissioner of Administration for the State of Alaska. A Certified Public Accountant by training, Mr. Peska brings over 18 years of Alaska government related experience and leadership to his present post as Chief of Staff. His positions have ranged from staff at the Division of Legislative Audit to senior aide to the Senate Finance Committee.

Garrey Peska was born May 25, 1945 in Abilene, Texas. He graduated with a Professional Accounting degree from Davenport College in Grand Rapids, Michigan. He is married to Karen Peska and resides in Juneau, Alaska.

Participants

Profile: Bruce R. Kennedy, President and CEO, Alaska Airlines

Bruce R. Kennedy has been a member of the Board of Directors of Alaska Airlines, and a member of the Executive Committee of the Board of Directors, since 1972. He served as Senior Vice President/Properties from 1973 to 1978; served as President and Chief Operating Officer beginning in 1978; and has served as Chairman of the Board of Directors and Chief Executive Officer since 1979.

Mr. Kennedy also holds the offices of Chairman, Chief Executive Officer and President of Alaska Air Group, Inc., the parent company of Alaska Airlines and of Horizon Air, a regional commuter airline which, like Alaska Airlines, is headquartered in Seattle.

Mr. Kennedy was born in Denver, Colorado in 1938 and in 1959 moved to Fairbanks, Alaska, where he lived until 1973. He is a 1962 graduate of the University of Alaska. He currently resides in Seattle, Washington with his wife and two children.

Profile: Bill Phillips, President, Alaska Joint Venture Seafoods

Mr. Phillips is President of Alaska Joint Venture Seafoods. AJVS is the largest Alaska based joint venture company, with a variety of international contract operations. In 1987, it had catch volume of 150,000 metric tons. AJVS owns five modern fishing vessels and manages others.

Mr. Phillips is a lawyer with international expertise. He is a partner in the Chicago-based law firm of Hopkins and Sutter. He manages the legislative and international division of his law firm. He is married and has one son.

Profile: Samuel Salkin, President and CEO, Alaska Commercial Company

Mr. Salkin is President and Chief Executive Officer of Alaska Commercial Company, a twenty-one store chain of retail grocery and general merchandise stores in rural Alaska.

Mr. Salkin has extensive experience in planning, managing and financing community economic development with emphasis on retail enterprises. He has been a consultant to private industry, state and local governments, community development corporations, labor unions, and cooperative organizations.

Mr. Salkin holds an advanced degree in economics and planning from Cornell University as well as a bachelor's degree in industrial relations. He serves on the Board of Directors of First Federal Bank Alaska and Frontier Cooperative Herbs. He is married and the father of two daughters.

Profile: Ron Sheardown, President, Greatland Exploration, Ltd.

Mr. Sheardown serves as President and General Manager of Greatland Exploration, Ltd., a corporation performing mineral exploration, development, mining and consulting. Mr. Sheardown has held this position since 1976. Mr. Sheardown is on the Alaska Minerals Commission, the Executive Board of the Anchorage Olympic Organizing Committee for the 1998 Olympic Winter Games, Vice President Protocol.

Born in 1936 in Ontario, Canada, Mr. Sheardown attended high school and university in Ontario, Canada. He has studied aviation, geology, mining engineering at the University of Toronto and Anchorage Community College. He is married to Karin Sheardown and resides in Anchorage, Alaska.

Profile: Mr. Charles L. "Lee" Wareham, Vice President, Operations, Alascom, Inc.

Mr. Wareham serves as Vice President, Operations for Alascom, the full-service long distance telecommunications company providing service to Alaska. He is responsible for maintenance and operations of more than 200 satellite earth stations and a mix of terrestrial and maritime communication. He has served in a variety of technical and management roles with Alascom since the Company's inception in 1971. Mr. Wareham served as Manager of Pipeline Communications for TAPS, 1974-77.

Born in Butte, Montana, September 24, 1938, Mr. Wareham attended schools in the State of Washington and served in the U.S. Army Signal Corps from 1956-1959. He also attended the University of Washington and Northeastern University. Mr. Wareham is married and has two sons and a daughter.

Ginna Brelsford, International Trade Specialist, Governor's Office of International Trade

Ginna Brelsford coordinates Governor Cowper's Alaska-Soviet Trade Initiative. As a trade specialist, she is responsible for the international marketing of Alaska trade opportunities to Japan, Korea, Taiwan, China and the Soviet Union. She promotes trade leads, trade shows, trade missions, press relations, international business development seminars, and is editor of the Alaska International Trade Digest.

Ginna Brelsford was born in 1958 in Denver, Colorado. An Alaska resident since 1970, Ginna helped found and graduated from Steller Secondary School in Anchorage. A 1980 graduate of Brown University, Ginna holds a B.A. in World Religions and an M.A. in International Relations — with a concentration in international trade law and economics of the North Pacific — from the Fletcher School of Law and Diplomacy of Tufts/Harvard universities. She is married and resides in Anchorage.

Elisa Miller, Soviet Business and Trade Specialist and Mission Coordinator

Elisa Miller is a specialist in Soviet Business and Trade with special expertise on trade between the U.S. West Coast states and the Soviet Far East economic region.

She has her PhD in Soviet-East Asian Economic Relations. She has taught Soviet Business and Trade at the University of Washington's School and Graduate School of Business Administration since 1976. She has been an invited lecturer on many occasions to talk about Soviet Business and Trade and the USSR's Asia Pacific Economic Relationship. She is married and has two children.

Governor Cowper's Alaska-Soviet Trade Relations Chronology

Goal: To build upon existing government/commercial ties to promote Alaska-Soviet Far East Trade.

5/87 Governor Cowper works with Dr. Ted Mala to launch the University of Alaska Siberia Medical Research Project.

7/87 Lynne Cox swim supported by Governor Cowper.

Fall/87 Office of International Trade researches the micro/macro economic potential for Alaska-Soviet Far East Trade. University of Alaska ISER submits report.

Governor Cowper sends message to Khabarovsk Territory Governor Danilyuk seeking a sister-province agreement and trade mission. Receives favorable response.

3/88 Office of International Trade co-sponsors symposium on Alaska-Siberia Relations featuring Soviet Spokesperson Gennadi Gerasimov. Governor Cowper meets with Gerasimov.

4/88 Concerted efforts begin to launch the Alaska Airlines Friendship Flight between Nome and Provideniya. Governor's Office, Jim Stimpfle of Nome, Alaska Airlines and Senator Murkowski's office.

5/88 Governor Cowper receives word from the Soviet Embassy that the Alaska Airlines Friendship Flight to Provideniya was approved.

6/13/88 Alaska Airlines Friendship Flight, Nome to Provideniya.

7/88 Office of International Trade staff travels to the Soviet Far East to promote trade relations and attend Security and Trade Conference.

9/88 Governor Cowper hosts Ministry of Foreign Affairs Journalists and Governor Kobets of Magadan and Mayor Kulinkin of Provideniya.

10/88 Governor Cowper meets with Ambassador Gennadi Gerasimov. Alaska Trade Mission to the Soviet Far East.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF INTERNATIONAL TRADE

STEVE COWPER, GOVERNOR

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3601 C STREET, SUITE 798
ANCHORAGE, ALASKA 99503-5934
PHONE: (907) 561-5585

September 14, 1988

Representative Mike Davis
P.O. Box 81435
Fairbanks, Alaska 99708

Mike
Dear Representative Davis:

Enclosed is my Soviet Far East Trip Report. I hope you find the information helpful as you explore opportunities and strategies for potential cultural, scientific and trade relations between Alaska and the Soviet Far East.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Ginna Breisford

Ginna Breisford
International Trade Specialist
Office of International Trade

SOVIET FAR EAST TRIP REPORT
July 15-26, 1988

by Ginna Brelsford, International Trade Specialist
Governor's Office of International Trade

SUMMARY

The extraordinary political changes of Gorbachev's glasnost and perestroika have yet to filter through the sealed-off region of the Soviet Far East. Western political and economic thought is percolating along the coasts and borders surrounding the Soviet Far East. Attention is now being given to special economic zones that will allow market forces and invite foreign capital into certain regions of the Soviet Far East. A measurable increase in border trade exists between China, Japan and the Soviet Far East and with persistence, trade between Alaska and the Soviet Far East could also increase over the next year.

I travelled to the Soviet Union to attend an international conference on Security and Economic Cooperation in the Pacific Basin. During my 11 day (July 15-26) visit I also sought to advance Alaska trade proposals and to prepare for the state October trade mission to Khabarovsk and Moscow.

In 11 days, I crossed 11 time zones and ventured from Alaska to Moscow to the Soviet Far East to Moscow to Alaska. I travelled nearly around the world twice and visited metropolitan Moscow and the distant regions of the Soviet Far East. I travelled mostly by plane but was treated to an afternoon boat ride along the Amur River in Khabarovsk, followed by a 20-hour train ride from Khabarovsk to the port town and conference site of Nakhodka.

The purpose of the Nakhodka conference was to explore the relationship between military or strategic security issues and regional economic development in the Pacific Basin. Eighty-two participants from 11 countries were represented at the event. The conference message demonstrated that Soviet scholars and ministry officials are now prepared to seriously address the problems associated with developing the Soviet Far East.

A major problem inherent in developing this region is that it remains a military outpost and is therefore considered a mostly closed region. Khabarovsk and Nahodka are relatively "open" to Westerners but most of the other vast areas of the Soviet Far East are closed to foreigners. While the conference provided an important forum for discussion, debate and information sharing, ultimately the Soviet military officials will decide when and if the Soviet Far East is economically developed.

Alaska continues to capture the interest of the Soviets. Alaska holds a special place in their history and I was afforded extraordinary entree as a result. While the average Soviet worker in the Soviet Far East enjoys few tangible results from the sweeping domestic economic reforms, various trade-related sectors of the economy there were delighted with Alaska's offers for trade and impressed with the degree of homework the state demonstrated. Alaska tops the list of states approaching the Soviet Far East, followed by Oregon and Washington.

ISSUES

This report will address the following issues:

How Alaskans can take advantage of the economic opening;
How to do business given changes;
The state trade initiative and new opportunities;
How does new information relate to October trade mission;
Conference and meeting results; and recommended action.