

Indigenous Capitalism through Tourism?:  
A Case Study of Economic Development in Native Southeast Alaska

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## **Abstract**

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On the coasts of the United States, dense human populations tend to occur alongside valuable natural resources and important ecosystems. In these areas, efficient management of competing uses frequently relies on economic valuations. Often eluding valuation and thus failing to meet capitalist standards of economic efficiency, unique coastal ways of life and their associated cultural identities are increasingly at risk of being lost. This potential loss of cultural identity is particularly important to indigenous peoples. However, for the nation's many persistently poor Native communities reducing poverty, achieving self-determination and revitalizing culture often require engaging with the same capitalist system that threatens traditional ways of life. In the case of Alaska Natives, this relationship has been formalized by the Alaska Native Claims Settlement Act which tied Native prosperity and sovereignty to capitalism through a system of Native corporations.

This thesis employs the case study method of qualitative research to examine the economic development strategy of one of these entities; Sealaska Corporation. After identifying

relevant theories and concepts, a historical approach is employed to identify important events and patterns in Sealaska's past involvement with economic development efforts. Tourism is then evaluated as a potential component of culturally relevant and environmentally sustainable economic development. The tension between achieving financial profitability and maintaining cultural identity emerges as a key challenge for Sealaska. In addition, it is found that development of innovative cultural and nature-based tourism products represents a significant but currently unfulfilled opportunity for the Corporation. Tourism appears to be uniquely flexible in its ability to balance the competing goals that emerge from the interaction of capitalism and Native cultural, and therefore strategic tourism development is recommended for Sealaska Corporation. Following from these findings it is concluded that innovation represents an important middle ground between overt hostility towards capitalism and cultural assimilation.

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## **Introduction**

The field of marine and environmental affairs is broadly concerned with identifying, understanding and managing the myriad interactions that take place between humans and the ocean. It is along the world's coastlines that the majority of these actions take place. The coast is an intersection of land and sea, but also one of people and the natural world. From a biogeophysical perspective the coasts are some of the richest environments in the world. Often highly productive, they concentrate an array of services and resources for exploitation. Humans have seemingly always been drawn to the coast and today coastal areas are often densely populated. As a result, layers of meaning and importance overlay the physical and biological processes that occur at the interface of land and water. Societies, economies and cultures depend to varying degrees on coastal lands and resources. These layers of meaning are more often than not tied to specific uses or alterations of the coast and its resources. As coastal populations increase these layers more frequently overlap and conflict arises.

An important focus within the field of marine and environmental affairs is the management of these conflicts. These efforts are usually tied to a specific resource. For example; fisheries management is concerned with the use and allocation of living marine resources and coastal zone management addresses the use of coastal lands. As conflict over the use of coastal resources becomes more acute, a need has emerged to clearly identify the criteria on which decisions are made. In the United States, coastal areas are highly developed, highly valued and highly politicized and the decision making processes that address coastal resources are therefore highly scrutinized. As a result, there has been an increasing trend towards data-driven decision making that seeks to maximize benefits based on a economic rationality. Benefit-cost analysis and related methods attempt to distill a complex reality in to the terms of Western

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economics. However, despite the noble intentions of such methods, they prove woefully insufficient for understanding values that do not translate easily in to economic terms. Under the capitalist logic that pervades the United States and much of the world today, those aspects of the world that elude monetary valuation are mostly ignored and frequently overwhelmed in the pursuit of growth. While many methods have been established for assigning value to goods and services that are not bought and sold, the very idea of economic valuation is fundamentally incompatible with some of the layers of meaning present in coastal spaces.

An important type of meaning that eludes valuation is that which flows from a long history of interaction with place. For example, the character and culture of a 400 year old fishing village can be said to have value, but valuation of tradition and of a way of life is not currently possible, nor does it seem particularly appropriate. This presents a problem when the economically rational use of coastal land in the village leads to luxury housing development rather than working waterfront. A large category of such values are those that indigenous peoples place on their homelands. Though there is of course astonishing diversity among indigenous groups, place for such peoples is often tied up in a holistic understanding of the world that may incorporate social, cultural, spiritual and economic considerations.

Retaining control over such lands in order to protect values that are easily overwhelmed under capitalism is an important goal for many indigenous peoples. In the United States there has been a long history of dissociating Natives from their valued places. The resulting destabilization of cultural systems has contributed to the persistent economic and social challenges faced by Natives. Increasing political power among Natives in the United States has allowed for some level of control over certain lands and resources. However, even in cases where Native peoples have retained ownership of significant portions of their homelands, they must attempt to

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maintain viable communities and cultures while surrounded and permeated by a dominant economic system that is different from their own.

Because of a unique history among the Native peoples of the United States, Alaska Natives provide an interesting example of the struggle that emerges when protection of indigenous lands and associated values necessitates engagement with Western capitalism. Organized into corporations and given control over a small but significant portion of their traditional lands, these peoples have attempted to at once engage profitably with the dominant economic system, and retain cultural values that may directly conflict with this system. When agreed upon in 1970, this arrangement known as the Alaska Native Claims Settlement Act (ANCSA) was unprecedented. The joining of Native identity and land ownership with the corporate form has produced unexpected outcomes. The actions of these Native corporations has at times appeared paradoxical as business-driven decisions seem to directly conflict with Native values. It has been argued that this apparently fundamental conflict reveals the true nature of the corporate arrangement as a tool of assimilation destined to ultimately bring about the demise of Alaska Native culture.

This thesis does not pass judgment on the intentions or effectiveness of ANCSA. In considering the interaction between Native peoples and capitalism the goal of this thesis is to illuminate opportunities in light of today's reality; not to serve as an endorsement or indictment of the Alaska Native corporate system formed by ANCSA. Notwithstanding the debate that surrounds the current arrangement, Alaska Natives continue to suffer from poor economic and social conditions and as a result must often abandon their home villages in order to seek opportunity in urban centers. Operating from the perspective that there is value in allowing people to remain on the lands to which their history and cultures are tied, and that economic

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opportunity is a prerequisite for making this possible, this thesis focuses on Alaska Native economic development.

Utilizing the case study method of qualitative research this thesis examines the economic development activities of one Alaska Native corporation: Sealaska. Located in Southeast Alaska, this regional corporation owned by Tlingit, Haida and Tsimshian peoples, engages in a variety of activities that directly and indirectly impact the viability of Native villages throughout the region. The first objective of this thesis is develop a deep understanding of these activities which is achieved through the identification of an appropriate theoretical framework. Utilizing this framework and following from the assumption that a Native corporation is inherently different from a traditional corporation, the specific ways in which ‘nativeness’ influences Sealaska’s activities are considered. An in depth understanding of the corporation and its goals, motivations, and limitations with regard to economic development is developed through this process. This understanding is then utilized to consider a specific economic development opportunity: tourism.

Tourism is a massive, global industry that has the potential to produce significant economic, social and environmental impacts; some positive and some negative. It has also often been suggested as an effective contributor to sustainable economic development for indigenous peoples. The second objective of this thesis is to consider how Sealaska might engage with tourism in order to encourage economic development in Southeast Alaska Native villages. Drawing on the other sections of the thesis this analysis incorporates general goals of indigenous economic development with an intimate knowledge of Sealaska’s history and motivations to produce a series of recommendations for Sealaska Corporation. Through this process an understanding of the relationship between indigenous tourism and capitalism emerges.

## Introduction

### Plan of the Thesis

This thesis is comprised of two parts. Following this Introduction, Part I provides a general theoretical and methodological background. Chapter 1 first discusses indigenous economic development and its goals before introducing the Theory of Indigenous Capitalisms; an analytical framework used throughout the thesis. Chapter 2 discusses theoretical models that have been used to understand tourism before considering its general impacts. Several specific varieties of tourism are then introduced and discussed. Chapter 3 describes the case study method of qualitative research and considers its strengths, weaknesses and uses.

Part II presents a case study of Sealaska Corporation, its economic development strategy and its potential involvement in the tourism industry. Chapter 4 explains the specific research questions and methods used that guided the study. Chapter 5 introduces the setting of Southeast Alaska by discussing the natural and human history of the region. Chapter 6 first introduces Sealaska Corporation and the processes that led to its formation. The chapter then provides a history of the corporation's actions relevant to economic development in Southeast Alaska Native communities. Finally, the chapter considers this history with regard to the Theory of Indigenous Capitalisms. Chapter 2.4 discusses the Southeast Alaska tourism industry and Sealaska's historical relationship to the industry before presenting a series of recommendations for future involvement. The Conclusion considers more broadly the relationship between tourism and indigenous capitalism and suggests goals for further research.

## **Part 1 – Conceptual Background**

*An Indigenous Capitalisms approach imposes the questions, “For what end do I labour? What defines happiness? Is identity individual or collective? What is the relationship of humans to the animals, plants, rocks and other elements with whom we share the planet?” and even, “What does it mean to be Indigenous in the twenty-first century?” – Buntén (2011, p. 69).*

## **Chapter 1 – Indigenous Capitalism and Indigenous Capitalisms**

For better or for worse, capitalism has become a pervasive and persistent global force with its logic and ostensibly homogenizing influence having spread to all corners of the earth (Reid, 2003). More than a system of economic organization, capitalism has not only become widespread, but also deeply ingrained in political organization, culture, religion and morality (Harmon, 2010). Since its birth in Europe in the sixteenth century the capitalist world-economy has continued to grow; first by nations through colonization and later by corporations through globalization (Wallerstein, 1994). As capitalism has spread it has encountered other forms of economic and social organization. In the era of colonization the growth of the capitalist world-economy rarely benefited the colonized and in the current era of globalization many would argue that these same populations largely still miss out on the benefits of capitalist growth (Tauli-Corpuz, 2010). Furthermore, in those cases where the colonized have successfully engaged in the capitalist system it has often been at the cost of their cultural identity (Bunten, 2011). The history of capitalism, colonization and indigenous peoples is immensely complex and varied spatially and temporally. However, despite this complexity and variability formerly colonized indigenous peoples around the globe face similar challenges in the modern world.

As a group, indigenous peoples continue to struggle under a capitalist world-economy (Reid, 2003). The processes of colonization and globalization have tended to economically marginalize indigenous populations, and today on average indigenous peoples around the world suffer from higher levels of poverty and its associated maladies (Tauli-Corpuz, 2010). Even in highly developed nations such as the United States so-called ‘Fourth World’<sup>1</sup> populations including indigenous peoples are extremely disadvantaged relative to national averages

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<sup>1</sup> The term ‘Fourth World’ was popularized by Manuel and Posluns (1974), and is often used to describe indigenous

(HPAIED 2008). In addition to economic challenges, indigenous peoples also struggle to maintain their cultural identity in a rapidly homogenizing world, while also protecting their sovereignty in colonized lands (Cattelino, 2010). For American Indians and Alaska Natives this struggle takes place in the context of a continually evolving relationship with the Federal Government. Thus, for indigenous peoples development does not only imply increased economic prosperity. Rather, in the indigenous context development has at least three goals including:

- 1) improved living standards through wealth generation;
- 2) protection and revitalization of culture; and
- 3) expression of sovereignty and self-determination (Duffy & Stubben, 1998).

Figure 1 depicts a general model of indigenous economic development in that reflects these multiple goals.

---

A predominantly collective one centered on the Nation or community

For the purposes of the following:

1. Attaining economic self-sufficiency as a necessary condition for the preservation and strengthening of communities
2. Control over activities on traditional lands
3. Improving the socioeconomic circumstances of indigenous peoples
4. Strengthening traditional culture, values, and languages and the reflecting of the same in development activities

Involving the following processes:

1. Creating and operating businesses that can compete profitably over the long run in the global economy to
  - a) exercise the control over activities on traditional lands
  - b) build the economy necessary to preserve and strengthen communities and improve socioeconomic conditions
2. Forming alliances and joint ventures among themselves and with non-Indigenous partners to create businesses that can compete profitably in the global economy
3. Building capacity for economic development through
  - a) education, training, and institution building
  - b) the realization of treaty and indigenous rights to land and resources

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**Figure 1.** Indigenous Approach to Economic Development. Adapted from Anderson, Kayseas, Dana, & Hindle, 2004, p. 639.

## Part One

It is generally accepted that some type of economic development is a necessity for many depressed, Native communities (Harmon, 2010; Hosmer & O'Neil, 2004; Tauli-Corpuz, 2010). However, how this needed economic development does and should interact with culture and sovereignty remains unresolved and hotly debated among and between Native and non-native parties (Duffy & Stubben, 1998). While some traditionalists within Native communities may advocate for complete withdrawal from the dominant capitalist system, given the extent of colonization in the US, such a course of action is improbable. Thus, some engagement with the capitalism of the dominant society seems inevitable. For many, the capitalist preoccupation with individual wealth accumulation and continual growth seems fundamentally incompatible with the more communal and sustainable world view of many Native peoples. Thus, one perspective is that economic development in Native communities can only occur with a concurrent loss of cultural identity. However, this perspective requires one to conceive of culture as static, fragile and passive. If on the other hand one accepts the possibility of a reciprocal interaction between capitalism and Native culture there is the potential for a third option that falls somewhere between isolation and assimilation (Bunten, 2010; Cattelino, 2010; Harmon, 2010; Hosmer & O'Neil, 2004).

Bunten (2011, p. 62) introduces a theory of Indigenous Capitalisms in order to label that which falls between the extremes of isolation and assimilation, and as a “theoretical tool to analyze complex processes of critical importance to Indigenous peoples’ lives as they shape their evolving participation in global and local economies”. An important objective of this thesis is to evaluate the nascent theory of Indigenous Capitalisms by operationalizing it in the analysis of one native enterprise. However, in order to usefully employ a theory of Indigenous Capitalisms it is necessary to first understand the history and motivation of indigenous capitalism. Thus, in

order to set the stage this chapter will introduce the economic, cultural and political implications of indigenous capitalism. It should be noted that because the current study focuses on an indigenous group in the United States this literature review focuses on the experiences of American Indians and Alaska Natives<sup>2</sup>. However, with only minor revisions the information presented would be highly relevant to indigenous groups, especially those in highly industrialized, developed nations.

*Goal 1: American Indian and Alaska Native Economic Development*

Indigenous capitalism is driven by the necessity of economic development in indigenous communities. Before discussing indigenous economic development it is important to ask, what is economic development? Unfortunately there is no singular answer to this question. At its most basic level economic development can be understood as the process by which certain nations or populations “catch up” in financial terms to world leaders such as the United States by increasing per capital GDP (Wallerstein, 1994). While expanding the economy is no doubt important, development is generally understood to imply more than just increased wealth. Recent efforts such as the United Nations Millennium Development Goals and the World Bank’s World Development Indicators seek to measure and quantify the many components of development internationally (Tauli-Corpuz, 2010). However, even more inclusive treatments such as these fail to capture all that is implied in economic development. While there are many objective measures

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<sup>2</sup> Many terms are used to describe indigenous peoples. Depending on their geographical location and disciplinary background, authors may choose to use one of several general terms such as indigenous, aboriginal or native. These terms also may or may not be capitalized. There are also specific terms for indigenous peoples of a specific region. For example; in the continental United States, indigenous peoples are usually referred to as Native American or American Indian, in Alaska a general term is Alaska Native and in Canada the term First Nations is used. For the purposes of this thesis, indigenous is used as a general term for any population or community that with pre-colonial ties to a given place. The term Native is used as an inclusive term for all indigenous peoples in the United States. However, Indian is used in some specific instances such as Federal-Indian policy and Indian Country. These terms are generally recognized in American Indian Studies and have specific connotations.

## Part One

of development, the term itself has over time taken on various normative connotations (O'Neil, 2004). The rationale of economic development has been reconfigured, rebelled against and reappropriated. In many ways, the history of economic development among the indigenous peoples of the United States reflects how the theory of development has evolved over time. Thus, by briefly recounting the history of economic development among Native Americans and Alaska Natives this section will also more fully define economic development and how relates to indigenous capitalism.

Economic development as an international goal and field of study gained formal recognition following World War II as colonized nations increasingly pushed for independence and economic equality (Grampp, 1972). In its early years development theory was dominated by ideas of modernization. Modernization theory holds that all societies can (and must) follow a similar, linear path to some singular state of development (Fourie, 2012). Modernization theory can be simply understood as poor nations “catching up” by emulating rich, industrialized nations.

In the context of economic development in Indian Country, modernization theory is quite apparent in the “termination” period of Federal-Indian interaction of the 1950s<sup>3</sup> (Wilkinson, 2004). This period was by no means the first time that the economic conditions in Indian Country had been the focus of Federal attention. However, it was during this period that assimilation of Native populations became shrouded in the rhetoric of economic development (Harmon, 2010). To understand the relationship between assimilation and development it is important to be familiar with the legal relationship between Native peoples and the Federal

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<sup>3</sup> Federal-Indian relations have a long history prior the 1950s. Recounting the long history of the Native American interaction with the Federal Government is not necessary here because this thesis ultimately focuses on Alaska Native economic development. The Alaska Native experience has been significantly different from the Native American experience and it is described further in Part II. For a detailed review of the history of Federal-Indian relations see Wilkinson (2004).

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Government. Wilkinson provides a concise summary of the five key components of the legal relationship between the two entities:

1. The trust relationship: Indian tribes are not foreign nations, but constitute “distinct political” communities “that may, more correctly, perhaps, be denominated domestic, dependent nations” whose “relation to the United States resembles that of a ward to his guardian.”
2. Tribal governmental status: Indian tribes are sovereigns, that is, governments, and state law does not apply to tribes or tribal members within reservation boundaries without congressional consent. State law normally will not apply to non-Indians within reservation boundaries if it will infringe upon the rights of tribes to make their own laws.
3. Reserved rights doctrine: Tribal rights, including rights to land and to self-government, are not granted to a tribe by the United States. Rather, under the reserved rights doctrine, tribes retained (“reserved”) such rights as part of their status as prior and continuing sovereigns.
4. Canons of construction: Courts have adopted fundamental rules and principles that govern the interpretation of written documents such as treaties. In legal terminology, these rules and principles are known as “canons of construction.” Those that apply specifically to Indian law generally have been developed to protect the tribes. For example, the canons provide that treaties agree to be construed broadly in determining the existence of Indian rights, but narrowly when considering the elimination or abrogation of those rights. Most of the special canons of construction dealing with treaty rights also have been applied to agreements, executive orders, and statutes, dealing with Indians.
5. Congress’ plenary power: Rights established by treaty, or by other documents, can be abrogated by Congress pursuant to its plenary power (2004, p. 6).

During the termination era there was an increasing push for Congress to exercise its plenary power and eliminate its unique relationship with Native Americans. While there were no doubt other motivations including racism and greed for such a push, the popular justification for termination was that by ending their paternalistic relationship with the Federal Government Indian Nations would be free to participate in the capitalist system as full citizens (Harmon, 2010). Termination would proceed by providing money and training to Native Americans, subdividing reservation lands into private property which would be granted to individuals, and then abrogating the trust relationship between the Federal Government and tribes (Riggs, 2000). Thus, it was argued that through assimilation into the mainstream American capitalist system,

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Native Americans could successfully develop and realize the promise of modernization. Not surprisingly, such arguments were not readily accepted by many Native people.

While a significant number of tribes were formally terminated during this period, the majority maintained their rights and sovereignty through vocal opposition to termination policies (Riggs, 2000). The 1960s ushered in a new era of Federal-Indian relations often referred to as the self-determination era (Wilkinson, 2004). The critical response of termination among Native Americans was largely contemporaneous with, and ideologically related to the popularization of the 'dependency' theory of economic development. While dependency theory has its roots in the Third World rather than the Fourth, its critical analysis of modernization is highly applicable in Indian Country.

Dependency rejects the notion that development can be achieved by following a single path that emulates the history of developed nations. Furthermore, this theory argues that developed nations have gained wealth at the expense of Third (and Fourth) World nations through exploitative relationships that transfer natural resources and wealth from the later to the former (R. B. Anderson, Dana, & Dana, 2006). As the movement in support of self-determination continued to grow it drew upon dependency theory to explain the persistent, poor economic conditions of reservations and Native communities (Harmon, 2010).

While dependency theory challenged the Eurocentric assumptions of modernization and helped to illuminate economic exploitation of Native communities, it too proved to have its limitations for understanding development (and underdevelopment) in Indian Country. O'Neil argues that the dependency theory "prohibited a discussion of alternative models of development. Scholars and activists then faced the prospect of choosing between "tradition,"

## Part One

which relegated culture to a timeless past, or “modernity,” a homogeneous future within the dominant society” (2004, p. 7).

The struggle for self-determination and economic development in Indian Country persists today (HPAIED 2008). However, O’Neil’s (2004) criticisms of existing development theory have been widely acknowledged, and the development discourse has moved beyond the prescriptions of the modernization and dependency paradigms while a suite of new theories have been introduced. While dependency theory questioned the path to development, it did not necessarily question the destination. More contemporary theories of development such as ‘regulation theory’ (R. B. Anderson et al., 2006), ‘postcolonial theory’ (Kapoor, 2002) and ‘multiple modernities’ (Fourie, 2012) have questioned how the goal of development is defined. Despite significant variability between these theories, it is the recognition of agency among the developing that defines the departure from dependency theory. Again, a shift in predominant development theory is reflected in the history of Native American economic development.

The 1970s and 1980s marked a period of economic growth and diversification in Indian Country. While this growth was by no means universal, important gains toward economic improvement and sovereignty were made during this period as Native peoples increasingly took control of their development destinies (HPAIED 2008). Notable events include the proliferation of Indian gaming, the Boldt decision and the passage of the Alaska Native Claims Settlement Act (Hosmer & O’Neil, 2004; Wilkinson, 2004). Ultimately it is the refutation of dependency and modernization theory, and the recognition that indigenous peoples can define their own paths and destinations in development that remain the foundation of indigenous capitalism today. Indigenous capitalism takes place when Native people engage with the dominant social, political and economic systems on their own terms in order to achieve their own goals (Bunten, 2010).

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However, this theoretical revision and the apparent rise of indigenous capitalism should not create an overly optimistic view of economic development in Indian Country today.

The majority of indigenous groups in the United States continue to face significant social and economic challenges (HPAIED 2008). Many of these challenges are not unique to Native communities, but rather are common in rural areas throughout the United States. Bridger, Luloff and Krannich describe a “great change” in community life in rural areas that is characterized by modification along some or all of the following dimensions:

(i) division of labour; (ii) differentiation of interests and association; (iii) increasing systematic relationships to the larger society; (iv) bureaucratization and impersonalization; (v) transfer of functions to profit enterprise and government; (vi) urbanization and suburbanization; and (vii) changing values (2002, p. 11).

Indian Country has by no means been immune to the consequences of these changes which have included reduced local economic opportunity, increased incidence of social ills and migration away from rural communities among others (HPAIED 2008). In fact, these challenges are only exacerbated in Native communities because of poor baseline economic conditions relative to other rural areas, the complicating issues of Federal-Indian government relations and a more pronounced sensitivity to cultural change.

In their evaluation of Native American economic development Duffy and Stuben identify four primary economic development challenges that are unique to Indian Country:

1) the dependent-paternalistic relationship between the U.S. government and the tribes encourages a passive posture and role in development; 2) inconsistent investment policies of the U.S. government over the years make it difficult to attract capital; 3) cultural barriers foster fear--or at least hesitancy-- among potential private investors; and 4) at least some Indians are reluctant to adopt "foreign" concepts incongruous with their traditional value systems (1998, p. 58).

Taken together these challenges can be seen to at least partially result from the existence of multiple goals in indigenous economic development. So, while some notable success stories

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suggest that indigenous capitalism offers a path toward economic prosperity (or at least survival), questions remain as to the impact of financial prosperity on the goals of cultural preservation and expression of sovereignty. Table 1 presents a set of potential interactions between the three goals. While no doubt incomplete, this set of potential interactions suggest some of the ways that scholars have observed or anticipated the multiple goals of indigenous economic development interacting in the real world. At best Table 1 can be understood as a generalization because in reality many of these potential interactions occur simultaneously and indeed the very identification of an impact as positive or negative is ultimately subjective. The main point to be taken away from Table 1 and this discussion of economic development in Indian Country is that when Native nations and communities undertake development initiatives by engaging with institutions of the dominant capitalist system, their motivations and actions are likely to be guided by a complex logic that results from the need to balance economic, cultural and political goals.

Part One

		Goal 1	Goal 2	Goal 3
Goal 1	+		Native cultural values are actively integrated in to and strengthen the financial performance of tribal and Native-owned businesses	Protection and strengthening of Native sovereignty and associated rights creates new opportunities for tribal and Native-owned businesses and makes businesses more competitive
	=		The success of tribal and Native-owned businesses is not influenced by Native culture or traditions, but it also does not prevent investments or partnerships	Protection and strengthening of sovereignty do not impact the success of tribal and Native-owned businesses
	-		Cultural stereotypes create mistrust which leads to calls for isolation by Native traditionalists or hesitancy by outside investors	Protection and strengthening of sovereignty alienates outsiders and potential investments or partnerships are negatively affected reducing opportunity for Native businesses
Goal 2	+	Culture is strengthened when revitalization efforts are funded through increased revenues that result from economic prosperity		Increased sovereignty provides more opportunities to engage in traditional and culturally meaningful practices, for example subsistence hunting and fishing.
	=	Culture is neither strengthened nor weakened as a result of increased economic prosperity		Despite increased sovereignty the changes that occur do not afford Native peoples with new opportunities to engage in culturally meaningful practices.
	-	Culture is undermined when prosperity leads to the replacement of traditional cultural values with Western capitalist values		The institutions that may arise as a result of increased sovereignty (i.e. more influential tribal governments) create factionalism and alienate some tribal members.

	Goal 1	Goal 2	Goal 3
Goal 3	+	Prosperity reduces dependency, provides new opportunities for self-determination and provides means for protection of rights through legal and political avenues	Cultural revitalization strengthens tribal communities such that they can more effectively protect, exercise and lobby for recognition of treaty, land and other rights
	=	Despite increased per capita income the status quo of Federal-Indian relations is maintained.	Cultural revitalization neither strengthens nor weakens Native sovereignty or self-determination
	-	Prosperity increases opposition to "special rights" for Native Americans leading to legal and political challenges to Native sovereignty	Increased differentiation between Native and mainstream culture precipitates new termination/assimilation efforts

**Table 1. Potential interactions between the three goals of indigenous economic development.**

The table can be read as the possible positive, neutral or negative impact of achieving the horizontally listed goal on the potential of achieving the vertically listed goal. For example, the cell in the first column and in the center row would be read as "the possible positive impact of achieving poverty alleviation on the potential of achieving cultural revitalization"

\*Goal 1: Increased per capita income (i.e. local economic opportunity, poverty alleviation, improved services and infrastructure)

\*Goal 2: Cultural protection/ revitalization (i.e. social organization, language, subsistence practices, religion, art and physical artifacts and their associated meanings)

\*Goal 3: Protection and expression of sovereignty and increased self-determination (i.e. maintenance of government-government relations, recognition and protection of land, resource and treaty rights)

*Goal 2: Development versus Culture or Culture through Development?*

A concern for Native culture is an almost universal component of indigenous economic development efforts (Duffy & Stubben, 1998). However, culture seems the most challenging component of indigenous capitalism to fully grasp. This should not be surprising given that the word itself tends to elude a satisfactory definition. Keesing (1974) provides a thorough review of

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the various cultural camps within the field of anthropology. While anthropologists have for decades attempted describe a concrete meaning of the term, outside of the halls of universities the idea of culture remains obscure and subjective despite its pervasiveness (Geertz, 1973; Keesing, 1974).

For the purposes of this study it is unnecessary to evaluate the relative merits of the many cultural theories because ultimately, with regard to understanding the role of culture in indigenous development, the precise definition of the term is not of paramount importance. While the theoretically concerned anthropologist may take issue with this statement, it is the opinion of the author that what constitutes ‘culture’ with regard to cultural protection/revitalization in development efforts should be determined by those who own and practice that culture. That being said, it is useful to have a working definition of the term, and that offered by Geertz seems to leave sufficient room for interpretation by the practitioners of Native culture:

Believing, with Max Weber, that man is an animal suspended in webs of significance he himself has spun, I take culture to be those webs, and the analysis of it to be therefore not an experimental science in search of law but an interpretive one in search of meaning (1973, p. 5).

And while indigenous cultural revitalization efforts often identify such things as social, political and economic organization, language, religion, art and subsistence practices as important, it is ultimately the more elusive meaning described by Geertz that makes culture so significant for Native peoples (Pullar, 1992).

Following from Geertz’s explanation of culture as meaning and moving toward an understanding of the interaction of development and culture Dombrowski’s (2001, p. 9) observation is helpful: “In short, what anthropologists and those around them have come to call “culture” – local meanings and the local ways used to produce and reproduce these meanings – is intimately caught up with the process of local/ larger political-economic differentiation”.

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Dombrowski (2001) touches on several key themes in this statement. First, culture is *mutable* and *active*, insofar as it is not an isolated entity and therefore influences and is influenced by interaction with political and economic forces at multiple scales; and second, culture plays a role in the creation and maintenance of “otherness” or *differentiation*. To a great extent, culture’s role in development and disagreement over what that role *should* be can be best understood as a result of these three characteristics.

The observation that cultures are mutable and thus subject to change at the hands of external and internal forces is no new revelation (Geertz, 1984). However, due to the historical role culture has played in Federal-Indian government interactions, cultural change in Indian Country has strong normative associations. Notions of Western capitalist cultural potency and the logic of modernization have long been, and some would argue remain implicit in the interaction between the US Government and Native peoples (Mika, 1995). The history of the Federal Government’s dealings with the nation’s indigenous peoples is littered with legislation and court rulings explicitly intended to encourage (or force) assimilation into mainstream society (Harmon, 2010). Early assaults on culture during the “era of allotment and assimilation” were more overt and included discouragement or dismantling of tribal governments, stripping Natives of traditional lands and banning Native language, dress and religious practices in Bureau of Indian Affairs schools (Wilkinson, 2004, p. 12). As noted previously, following World War II the goal of assimilation became shrouded in the logic of economic development during the termination era (Harmon, 2010). Though the logic of modernization was only used as an explicit justification for assimilation during this era, that same logic was apparent in earlier Federal-Indian interactions and has persisted in some ways into the current era of self-determination (Dombrowski, 2002). Thus, as a result of the pervasiveness of assimilating tendencies on the part

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of the Federal Government, in the Native American context cultural change has become a sensitive and politicized issue.

The politicization of Native culture may potentially affect indigenous development efforts in several ways. The first should be familiar as it was observed by Duffy and Stubben (1998) as one of the four unique challenges facing Native economic development efforts; some Native peoples are reluctant to engage in economic development projects because of a perceived risk to traditional cultural values. From this perspective culture may represent an impediment to the other goals of development; especially poverty alleviation if cultural considerations preclude participation in the larger capitalist system (Bunten, 2010). However, such a perspective is not unjustified, because as a result of the historical assault on culture and the significant damage that has resulted from past interaction with non-native entities it is understandable that some perceive Native culture as fragile, susceptible to being overwhelmed by outside influences and unlikely to survive in the face of political and economic change. Those who hold these beliefs thus perceive of Native culture as passive or at least unable to stand up to the overwhelming forces of western culture. Many others believe that instead Native culture can be equally, if not more active than outside forces, and from this perspective culture can serve to strengthen rather than impede economic development efforts (Hosmer & O'Neil, 2004).

When Native culture is understood as active its role in development expands from goal to guiding force. Indeed, it seems quite logical that economic development efforts designed (to the extent practicable) to be compatible with Native culture are more likely to succeed. In a survey of 480 Native American economic development projects Duffy and Stubben (1998) found that success was most common in projects that were based upon and strengthened cultural identity. From these findings the authors argue that:

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To be successful, then, economic development must place communal or tribal concerns above efficiency, routinization, secularity, differentiation and, if need be, over profits. This is not to say that the latter concerns should be ignored, but that they are secondary to community concerns and values (the traditional, cultural aspects of Indian society) and the survival of the tribe (Duffy & Stubben, 1998, p. 72).

This argument is supported by Bunten's (2011) observation of "mitigating value systems" that guide the operations of indigenous corporations. Again, remembering the multiple goals of indigenous economic development, this "not just for-profit" structure guided by indigenous culture or values appears quite logical and epitomizes indigenous capitalism as understood and described by Bunten. This however remains only part of the story. Thus far the importance of culture's *activeness* and *mutability* has been considered. The final important characteristic of culture with regard to economic development is its power of *differentiation*. In considering the role and importance of differentiation, sovereignty – the third goal of indigenous economic development – takes center stage.

### *Goal 3: Succeeding as a Nation within a Nation*

Much like culture (and for that matter economic development), a satisfactory definition of sovereignty as it relates to indigenous economic development is hard to identify. There are no doubt important legal definitions of sovereignty which have received significant attention (Wilkinson, 2004). However, when considering sovereignty in the context indigenous economic development the term takes on a more holistic meaning. In fact, the understanding of sovereignty that emerges begins to encompass all three goals of development. For the purposes of this discussion Duffy and Stubben's observations on Indian sovereignty are highly relevant:

We do not argue that "Indian sovereignty" is well understood, let alone accepted, among the dominant culture, nor do we say that all Indians uniformly have the same understanding of that term. Rather, at some general level of understanding, sovereignty is perceived as central to Indian survival, whether that is understood as survival of

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traditional Indian culture, or economic survival based on freely chosen and implemented indigenous plans. We suggest that it is in the interest of the U.S. government to recognize Native sovereignty from (at least) this perspective because it empowers Native Americans to do what they want to do: develop the economic and political capacity to take care of their own people and preserve their culture (1998, p. 65).

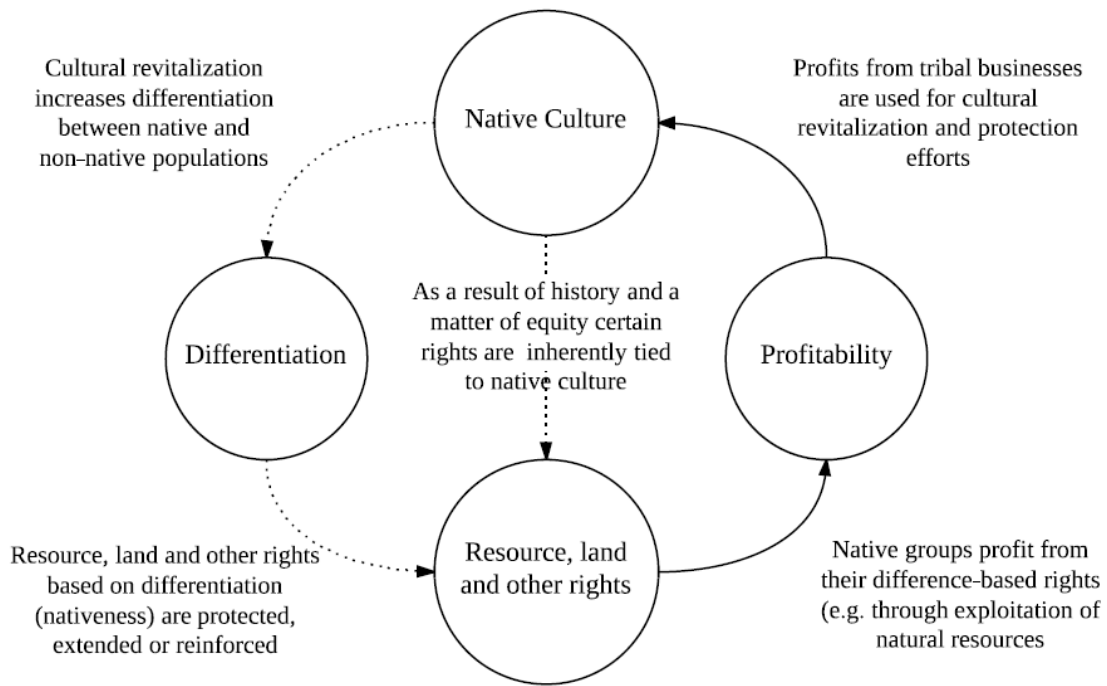
From this perspective sovereignty is a precondition for achieving the goals of wealth generation and cultural protection. However, it seems impossible to disentangle this precondition from the other goals because they are engaged in complex feedback loops (Tauli-Corpuz, 2010). Though it should already be apparent, this observation begins to illuminate the analytical challenge of studying indigenous capitalism and economic development (Duffy & Stubben, 1998). The logic of indigenous capitalism is not linear. The holistic worldview of indigenous peoples seems to have been naturally carried up through the goals of indigenous economic development and through interaction with the western economy into indigenous capitalism (Bunten, 2011).

While the holistic nature of sovereignty poses analytical challenges, it also poses very practical challenges for indigenous peoples. A holistic view of sovereignty may contribute to the internal logic of indigenous capitalism, but when played out in the real world Indian sovereignty and the rights associated with it are not guaranteed (Cattelino, 2010). The fact that the very basis for the continued existence of indigenous identity in the United States is subject to challenge reveals the true stakes of indigenous capitalism. While concurrent progress towards the three goals of indigenous economic development is expected to produce positive outcomes for indigenous peoples, success may also undermine the foundation on which development is built. Despite the predominance of self-determination rhetoric in the current era, termination and assimilation are never far below the surface (Harmon, 2010). As a result, endeavors in indigenous capitalism may be questioned from within and outside of a given nation or community. Cattelino (2010) argues that sovereignty among the nation's Native peoples is in actuality a "need-based sovereignty", because successful economic development by Native

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Americans and Alaska Natives is often accompanied by ever louder calls for abrogation of the rights on which sovereignty (and therefore development) is based. The general population seems ready to recognize the sovereign rights of Natives only as long as they remain visibly poor.

It is now finally possible (and necessary) to return to and address the issue of *differentiation* as a characteristic of culture. Dombrowski's (2001, 2002) perspective on differentiation is that continued recognition of Indian sovereignty and the various rights associated with it is dependent on sufficient evidence of differentiation or 'Nativeness'. It is from this perspective that he develops a rather cynical view of the relationship between the three goals of indigenous economic development. While culture and tradition has served as a general guide for many Native corporations, the same corporations have often also made direct investments in cultural programs (Bunten, 2011). Many consider these investments important for revitalizing cultures, strengthening identity and increasing self-esteem of Native peoples (Bunten, 2010; Tauli-Corpuz, 2010; Worl, 2008). However, Dombrowski (2001) sees the potential for ulterior motives in cultural investments by Native corporations and cites tepid reception by some Natives of corporate sponsorship of culture. For, if the very basis of a Native corporation's profitability is "special rights", and those rights are based on sufficient display of 'Nativeness' then investments in culture might also be seen as a means to secure those rights. Figure 2 shows this potential relationship as well as an alternative relationship in which equity and history are invoked rather than differentiation as the basis for land, resource and other native rights.



**Figure 2.** Two proposed relationships between native culture, native corporate profitability and native rights.

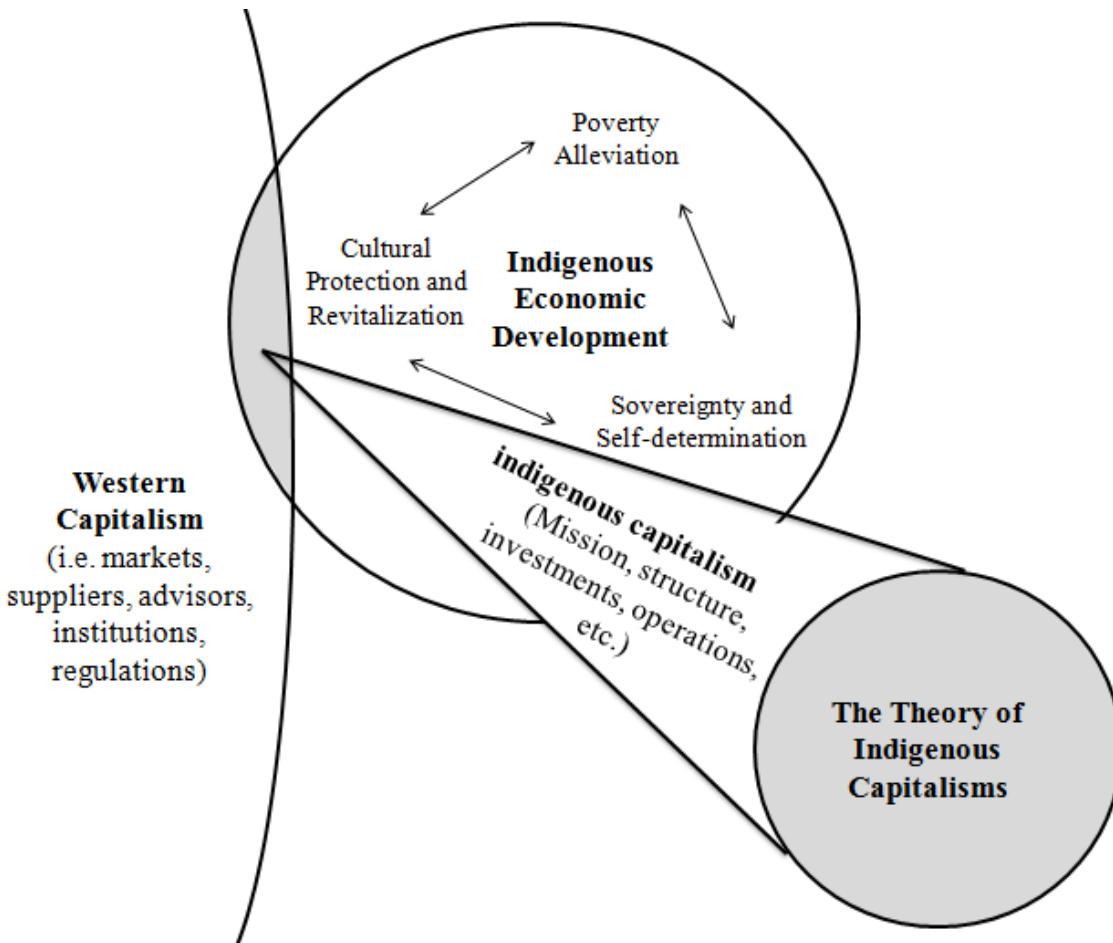
The point here is not to be too critical of Dombrowski’s analysis, though it seems too eager to discount the many direct, transparent positive benefits of cultural revitalization efforts. Rather, this discussion of differentiation is intended to serve as a final example of the complexity inherent in studying indigenous capitalisms. While cynical, there is no doubt truth to the observation that Native rights are dependent on remaining Native in the eyes of the dominant political economy. Cattelino (2010) and Harmon (2010) have each observed this in the challenges faced by “rich Indians” whose success contradicts the popular conception of what an Indian is supposed to be, and is therefore accompanied by the suggestion that they are not “Native enough” to warrant a special relationship with the Federal Government. With this understanding of the complexity and seeming contradictions of indigenous capitalism, it is now possible to introduce the analytical lens of this thesis: The Theory of Indigenous Capitalisms.

*The Theory of Indigenous Capitalisms*

To summarize, indigenous capitalism is motivated by the persistent, economic and social challenges facing Native peoples. These challenges have resulted from a history of colonization and a difficult and evolving relationship with the colonizing government and society. In order to address these challenges indigenous peoples undertake economic development efforts which seek to improve economic conditions while simultaneously strengthening culture and protecting sovereignty. These efforts most often require engaging with the political economy of the dominant society. Such engagement results in a complex array of structures and actions intended to balance the multiple goals of development with the requirements imposed by engagement with Western capitalism. Thus, indigenous capitalism does not describe one set of structures or actions, and as indigenous economic development efforts grow in number and size the impact of indigenous capitalism remains largely unknown. However, echoing the quote that opened this section, the implications of these impacts are likely to be far reaching and important.

Alexis Bunten (2011) has now called attention to the varied forms of indigenous capitalism and as a starting point for their study has proposed a Theory of Indigenous Capitalisms. Figure 3 positions indigenous capitalism relative to other concepts and shows that this theory is a lens through which to interpret its inherent complexities. The theory proposes a logic which says that indigenous capitalism in its many forms can be understood to result from:

- 1) historical and political relations of incorporation;
- 2) mitigating value systems; and
- 3) a dual promise of subsumption and self-determination (Bunten, 2011, p. 61).



**Figure 3.** Relationships between key concepts showing that the Theory of Indigenous Capitalisms serves as a lens through which to interpret indigenous capitalism; the interaction between indigenous economic development efforts and Western capitalism.

Broadly, Bunten (2011, p. 61) argues that the theory, “can be understood in terms of an overarching ethos and “structure of feeling” influencing praxis” in indigenous capitalism. More specifically, the first proposition states that the unique political and historical positioning of indigenous peoples and the rights and restrictions that have resulted from this positioning are determining factors in the form of indigenous capitalism. The second proposition states that the actions of indigenous capitalists are in some ways constrained by “value systems” (i.e. culture, heritage, tradition) absent in standard capitalist endeavors. And finally, indigenous capitalism and the forms it takes must be understood to result from the tension between the chance for self-

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determination through economic independence and the threat of assimilation by acquiescing too deeply to the requirements of Western capitalism. This theory will serve as an analytical guide for evaluating the economic development strategy of Sealaska Corporation. However, this study will also evaluate the durability of the Theory of Indigenous Capitalisms by subjecting it to the test of real world applicability.

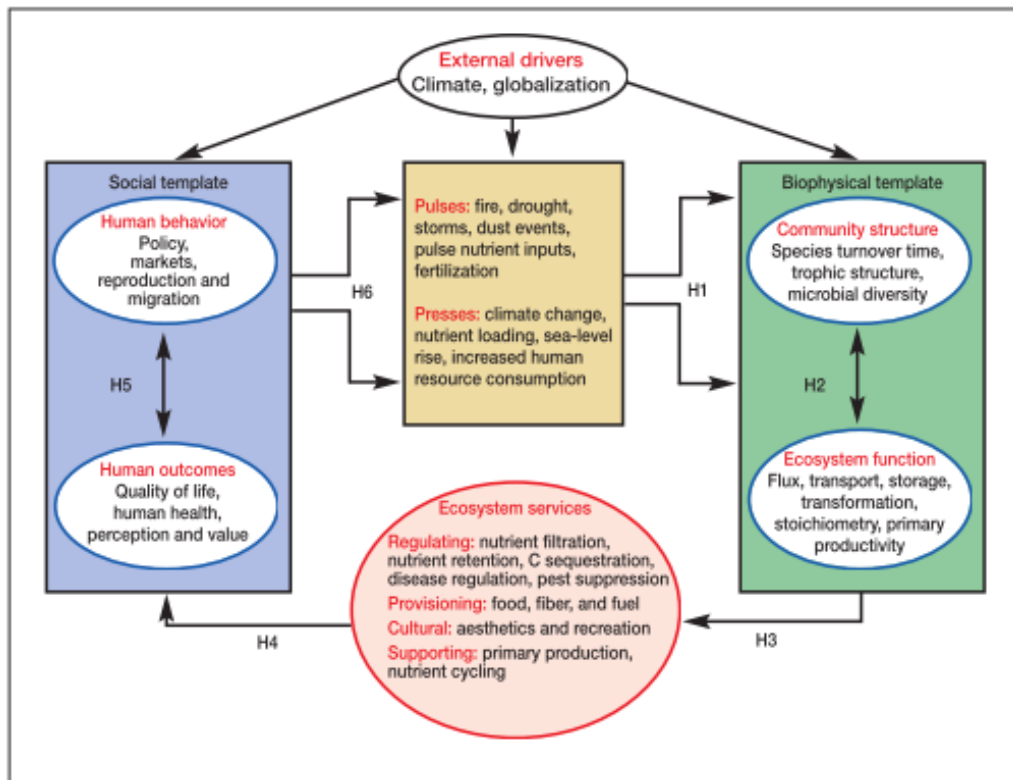
### *Sustainable Development and the Ecological Indian*

This chapter's discussion of indigenous capitalism and economic development to this point has focused almost entirely on one component of what in reality is a complex, integrated system. Poverty alleviation, culture and sovereignty are quite obviously human concerns. However, indigenous capitalism and economic development do not take place in a purely human system. Indigenous capitalism is intimately tied to the natural world in myriad ways. While the relationship between humans and the natural world has been long recognized, the potential limits of this relationship have become apparent as global population and industrialization test the limits of earth's resources and systems (Holling, 2001). During the 1970s widespread recognition of these limitations was spurred by the emerging environmental movement (Dunlap & Mertig, 1992).

In the context of a fundamentally limited global environment, it became clear to many that in order to protect the environment, development in the Third World could not simply mimic the industrialization of First World nations. In response to this new reality the concept of *sustainable development* was introduced and subsequently popularized by the United Nations 'Our Common Future' report (Brundtland, 1987). Despite proliferation of sustainability rhetoric following the release of the UN report, effective study of complex human-environment

interactions remained conspicuously rare (Liu et al., 2007). Over the past decade there has been a more concerted effort to describe and study the fundamental systems on which sustainable development depends in order to more fully describe what sustainability is and how to achieve it. In this body of research a variety of names have been ascribed to complex, multi-scale human-natural systems including Coupled Human Natural Systems (CHANS) (Liu et al., 2007), complex adaptive systems (Holling, 2001) and social-ecological systems (Collins et al., 2011).

For the purposes of this thesis the term social-ecological system will be used and will indicate a holistic understanding of interrelationships of human institutions (e.g. economic, political, cultural) and natural systems (e.g. biological, chemical and physical) across multiple scales (e.g. watershed, regional, global).



**Figure 4.** Conceptual model of a generic social-ecological system showing components of human and biophysical templates and the processes that connect the two. From Collins et al. 2011.

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Indigenous capitalism and economic development takes place *within* a social-ecological system. It is therefore reasonable to ask how indigenous capitalism relates to the concept of sustainable development. Are the two compatible? Are they inherently connected? Are they mutually exclusive? The intricacies of indigenous capitalism and economic development should now be clear, but it is worthwhile to give further attention to just what is meant by sustainable development. In the ‘Our Common Future’ report sustainable development is simply described as development that “meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland, 1987, p. 15). This initial definition is clearly quite general, but over time many in academia, government and the non-profit world have attempted to operationalize the concept and develop indicators that can measure the sustainability of a given development project or activity (Parris & Kates, 2003). Despite these efforts the term remains ambiguous.

Parris and Kates reviewed several prominent definitions of sustainable development and argue:

That the oxymoron-like character of sustainable development can be so inclusive must surely lie in its inherent ambiguity that seeks to finesse the real conflicts between economy and environment and between the present and the future. Some combination of development, environment and equity or economy, society, and environment are found in most attempts to describe it (2003, p. 560).

Holling attempts to transcend the ostensibly inconsistent internal logic of the term by analyzing each word individually and explains that:

Sustainability is the capacity to create, test, and maintain adaptive capability. Development is the process of creating, testing, and maintaining opportunity. The phrase that combines the two, ‘sustainable development’, therefore refers to the goal of fostering adaptive capabilities while simultaneously creating opportunities. It is therefore not an oxymoron but a term that describes a logical partnership (2001, p. 399).

Taken together, and keeping in mind the system depicted in Figure 4, these definitions indicate that sustainable development at the very least tries to consider and minimize the impacts of

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changes in the social realm (e.g. an economic development project) on the biogeophysical realm (e.g. local environmental conditions) with the understanding that failure to do so may ultimately reduce the viability of the system as a whole. The debate over the specifics of ‘what is to be sustained’, ‘for whom’, and ‘for how long’ is ongoing, but this basic understanding is sufficient to proceed with the discussion of how sustainable development relates to indigenous capitalism.

One might argue that environmental protection or sustainability should be included as a goal of indigenous economic development in addition to previously discussed poverty alleviation, cultural revitalization and sovereignty protection. No doubt, if these three goals are to be achieved over the long-term, development cannot proceed without due regard for its impacts on an indigenous people’s lands and resources. However, there are several potential problems with giving environmental considerations equal or greater importance than other goals. These problems arise primarily from the common stereotype of the ‘noble savage’ or ‘ecological Indian’ and the appropriation of this image by various interests for various purposes (Raymond, 2007). Krech (1999) summarizes this stereotype by invoking the image of the ‘Crying Indian’ used in a widely known anti-pollution campaign of the 1970s, saying: “A noble image speaking to ecological wisdom and prudent care for the land and its resources, the Crying Indian is the paramount example of what I call the Ecological Indian: the Native North American as ecologist and conservationist” (Krech, 1999, p. 16).

Krech’s *The Ecological Indian: Myth and Fact* is dedicated evaluating that the claim that Native Americans lived in harmony with the natural world, and ultimately concludes that the stereotype is for the most part not founded in reality. However, others have, using a less rigid definition of conservation, identified and provided evidence that supports a pre-contact

conservation ethic among some Native groups (Harkin & Lewis, 2007; Raymond, 2007). Arnold provides a poignant and convincing summary of this debate, arguing:

It is naïve to assume that Native Americans were somehow immune from acting in ways that were myopic, short term, wasteful, environmentally destructive, and ultimately human. It is also deeply biased to assume that they didn't have the technologies to affect their environments – constructively and destructively. It is equally naïve to assume, however, that all humans and all cultures have shared likeminded values with regard to nature. Native fishers on the Northwest Coast may not have always understood the environmental consequences of their actions, nor did their actions always reflect a concern for the biological sustainability of their resources. They were not conservationists, ecologists, or environmentalists in the *modern* sense of those terms. But they undoubtedly had a deep ecological understanding of their world, as reflected by their ability to successfully exploit a vast range of flora and fauna... Furthermore, they constructed cultures that placed a high value on the nonhuman world and posited a deep intimacy among humans, animals and nature. Such intimacy fostered relationships of reciprocity and respect between humans and animals that may have deterred (but not always prevented) overharvesting or waste (2008, pp. 38–39).

Notwithstanding the ongoing debate regarding the factual basis of the Ecological Indian, when used today the image becomes problematic because it can encourage normative judgments regarding what type of development is appropriate for Native peoples to undertake. For example, conservation groups have found the image of the Ecological Indian particularly useful and appealing (Raymond, 2007). Partnerships between conservation and indigenous interests to achieve political goals are not uncommon. However, conservationists have reacted harshly when modern indigenous peoples fail to live up to expectations based on the Ecological Indian (Krech, 1999).

In this and other cases, for some Native groups the environmental ethic suggested by the Ecological Indian stereotype has been helpful for political or economic purposes. As a result, it is possible to interpret many indigenous people's public proclaiming of a cultural environmental ethic as a type of 'greenwashing' given the industries in which some of these same groups are engaged (e.g. mining, oil and gas, timber) (Roderick, 2010). This perspective however seems overly cynical. Recalling again Raymond's words, this cynical perspective seems based on the

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erroneous assumption “that all humans and all cultures have shared likeminded values with regard to nature” (2007, p. 39).

Thus, while it is unlikely that anyone interested in promoting indigenous economic development would deny the long-term importance of environmental sustainability, given the immediate need and limited options for economic development in many Native communities, less-than-sustainable practices may be deemed necessary in the short-term (Roderick, 2010). Such actions may at once shatter the popular image of the Ecological Indian and ostensibly conflict with the culturally-based environmental ethic espoused by many Native groups. Ultimately, this problem of perception is intimately associated with overall challenge of interpreting the various decisions and actions of a tribe or Native community without appreciating the many internal and external forces that impact those decisions.

With this understanding of social-ecological systems, sustainable development and the Ecological Indian debate it is possible to return to the issue of the relationship between indigenous capitalism and sustainable development. As noted previously, environmental sustainability could easily be considered a fourth goal of indigenous economic development. Indeed, sustainability is explicitly identified as a goal of many examples of indigenous capitalism (Bunten, 2011; Sealaska Corporation, 2006). It could therefore be argued that indigenous capitalism can be and often is a form of sustainable development. However, if environmental sustainability is included as a goal of indigenous economic development then all indigenous capitalism would have to be understood as a form of sustainable development. Such an assumption would seem simply to perpetuate the stereotype of the Ecological Indian, and place unfair restrictions on the activities of indigenous peoples. Why must Native businesses be held to a higher standard than others? Given this, it seems appropriate to consider environmental

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sustainability broadly in the planning and analysis of indigenous economic development efforts. By recognizing that each of the goals of indigenous economic development – and indeed all components of indigenous capitalism – take place in a social-ecological system it becomes clear that land, natural resources, and environmental processes ultimately serve as the foundation for the whole system. As a result, long-term success of economic development efforts is ultimately contingent on finding some type of balance with the natural world. However, to suggest that indigenous capitalism *should* always be sustainable is to rob Native peoples of agency and from an analytical perspective is less powerful than a broad understanding of human-environment interactions.

### **Chapter 2 – Principles and Relevant forms of Tourism**

A clear understanding of present conditions and desired outcomes is vital to any economic development effort, and it is no small task to achieve this understanding. However, it is not enough to ask “where are we today, and where do we want to go?” In any economic development effort there is the vital decision of *how* to achieve the program goals. In most cases, the ‘how’ is fostering the introduction or expansion of a specific industry. The type of industry that is ultimately chosen is likely to be dependent on a many factors including the goals of development (i.e. indigenous development, sustainable development), community history and geography, availability of capital (financial, social, natural) and global markets to name a few (Reid, 2003). Not surprisingly, it can be a challenge to identify an industry that is economically feasible and also consistent with potential non-economic goals of development; especially as sustainable development has increased in popularity.

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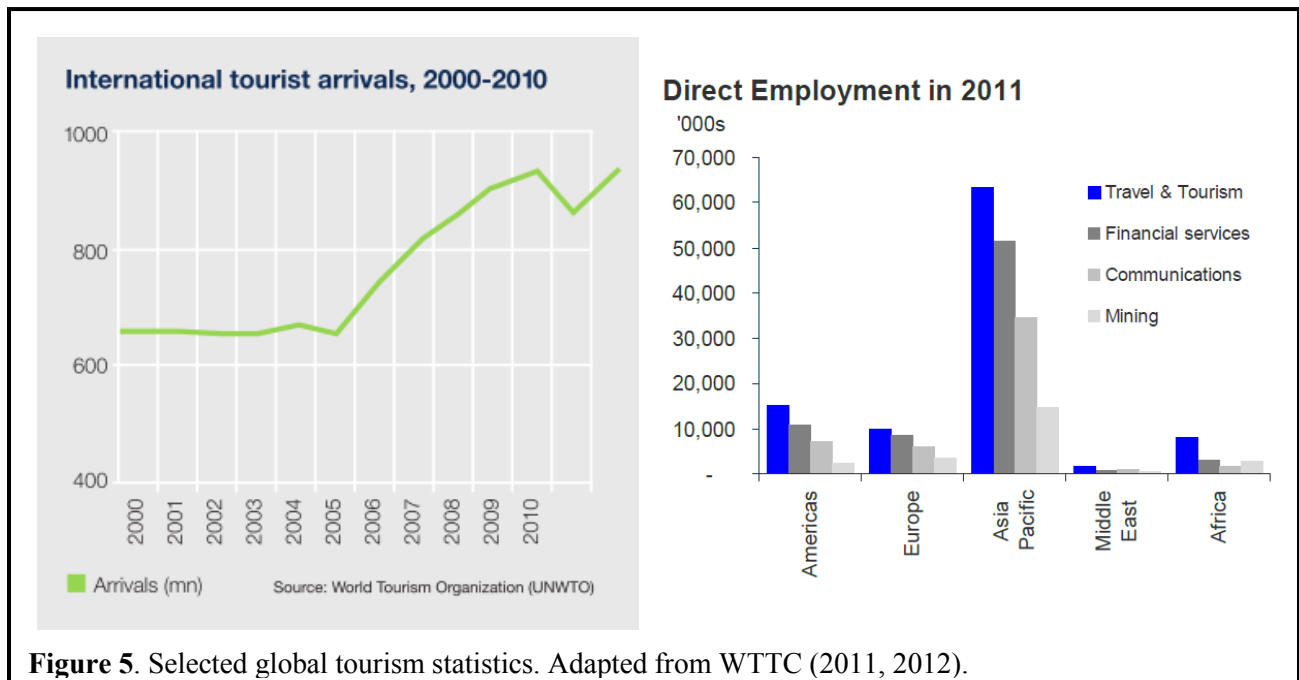
Success in economic development is highly context dependent, but tourism – perhaps more than any other industry – has been promoted in a remarkable number of settings. For example, tourism development has been recommended as a potential development driver in indigenous communities (Aref & Ma'rof, 2009; R. Butler & Hinch, 1996; Schneider, 2006), developing nations (Reid, 2003; Tauli-Corpuz, 2010), rural areas (Akis, Peristianis, & Warner, 1996; Brennan, Flint, & Luloff, 2009), American Indian reservations (Bunten, 2010; Lew & Van-Otten, 1998) and post-industrial cities (Sieber, 1997) to name a few. However, there are serious issues with the way tourism is often considered in the development literature and beyond. On one end of the spectrum an idealistic perception of tourism – clearly influenced by the theory of sustainable development – is contrasted with other potentially more environmentally impactful development options such as mining or logging (Nepal, 2004). On the other end, tourism (especially international tourism) is understood as a neo-colonial activity through which developed countries exploit and assert dominance over colonized peoples (Chambers, 1997). While each of these characterizations of tourism is problematic in its own right, the underlying issue is that the diversity and complexity of tourism is rarely acknowledged. This is particularly troubling because of the pervasiveness and sheer magnitude of the global tourism industry today.

Precisely describing the size and economic impact of the tourism industry is a difficult task, and as a result estimations vary significantly. Miller explains the inherent challenges in bounding the tourism industry, whether for practical or analytical purposes, saying:

tourism is operationally ambiguous. On the one hand, it denotes an enormous and fragmented global industry providing a wide range of services and products to tourists as well as non-tourists. Widespread agreement is lacking, however, about how to measure the degree to which businesses are tourism dependent. On the other hand, the term is also commonly employed to mean travel for pleasure. Because this tourism is hard to separate from other forms of leisure (e.g., play, sport, outdoor , and other recreation), substantial differences remain among researchers as to how to determine when individuals are behaving as tourists (1993, pp. 181–182).

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Notwithstanding the challenges in pinpointing metrics of the industry, there is no doubt that it is indeed massive and can be considered on the same level as the world's largest industries; accounting for 9% of global GDP in 2011 (World Travel and Tourism Council, 2011). In the United States alone domestic tourists are estimated to have taken nearly two billion trips and spent over \$610 billion dollars in 2009 (U.S. Census Bureau, 2011), and these direct expenditures by travelers represent only a small fraction of the total economic impact of the industry. At the international level the World Travel and Tourism Council (2012) estimates that in 2011 the direct and induced spending on tourism topped six trillion \$US and that nearly one in 12 jobs on the planet was supported by the industry. By 2014 it is projected that over 70 million international travelers will visit the United States (U.S. Census Bureau, 2011). Meanwhile, worldwide international arrivals are approaching one billion annually. Based on this sample of statistics it becomes clearer why those interested in encouraging economic development might be interested in tourism. However, while informative in a very general way, these statistics leave much to be desired.



**Figure 5.** Selected global tourism statistics. Adapted from WTTC (2011, 2012).

For many reasons, effectively planning for, encouraging or controlling tourism development requires a more sophisticated and nuanced understanding of the industry than that offered by these aggregated statistics. First, tourism is clearly a global industry, but its successful development in a given instance is – perhaps more than any other industry of comparable scale – dependent on local conditions (Harrison & Husbands, 1996). While geographical, social and political considerations play a role in selecting a location for most any business, in tourism it is more often than not the place itself that is being marketed, and thus a broad range of local conditions are of paramount importance (V. L. Smith, 1996). Second, on the demand side of the industry there seems to be an ever-increasing diversification in the experiences potential tourists wish to pursue (Dongert & Light, 1996). As a result, there has been a commensurate diversification in the types of touristic experiences offered to the point where developers and academics alike recognize dozens of distinct tourism types (Harrison & Husbands, 1996). The proliferation of specialty tourism markets is a double-edged sword for a community or other entity interested in promoting tourism development. As a result of this market differentiation a tourism broker may be able to better meet a variety of economic and non-economic goals by targeting specific consumers. However, limited resources for research and planning may limit a community's ability to identify or encourage specific tourism sectors given the wide range of possibilities. The diversity of the tourism market also creates a practical problem for this thesis. It would be useful, but impractical to discuss individually a large number of tourism categories. Thus, a selection of tourism types are introduced here that are currently important in Southeast Alaska, or hold significant promise for future development by Sealaska Corporation.

*Theoretical Models of Tourism*

If nothing else, the aggregate statistics provided above demonstrate that tourism, as a mover of people and capital, has a global influence of massive proportions. However, this has not always been the case. In fact, it has been over the course of only several decades that leisure travel has been transformed from a relatively small, luxury industry in to the pervasive force it is today (Waters, 1966). Concurrent with the meteoric growth of the industry has been a proliferation of tourism research and literature (Orams, 2002). The literature comes from diverse sources including industry, government, academic and non-profits; and explores a plethora of topics including marketing, economics, environmental impacts, planning and cultural considerations to name a few. Notwithstanding the varied goals of tourism developers, researchers and managers, this body of literature reflects an inherent need to understand on some level the interaction between the tourist and the destination. The social sciences including anthropology and sociology have attempted to address this interaction at a fundamental level and these fields can provide important guidance to anyone interested in understanding, promoting or controlling tourism development (Chambers, 1997; Miller & Auyong, 1991; V. Smith, 1989).

Whether one is interested in identifying and marketing to potential tourists, avoiding environmental impacts of tourism or studying cultural change as it relates to tourism, it is useful to work from a theoretical model of the tourist-destination interaction. Smith's (1989) *Hosts and Guests* was a foundational text for the anthropological study of tourism, and the host-guest interaction proposed therein has been extremely persistent in the tourism literature. The host-guest paradigm argues for an intimate and reciprocal relationship between the tourist (the guest) and the destination and its inhabitants (the host). As a product of the field of anthropology this paradigm arose primarily in the context of the tourist from a developed nation visiting a pre-

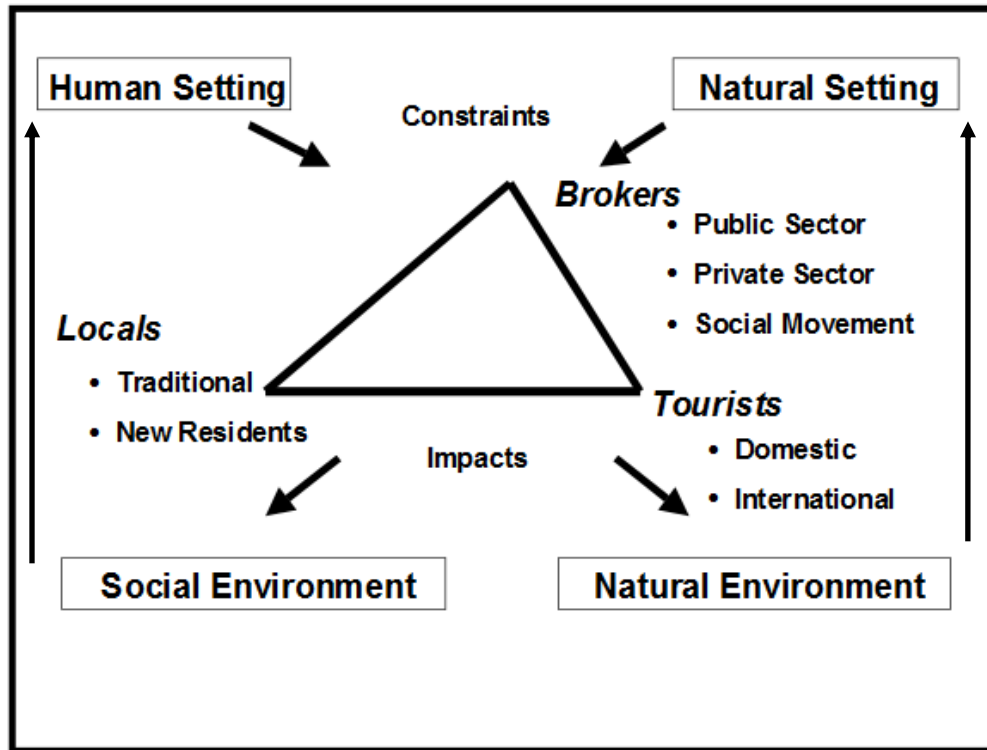
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industrial society. However, over time the host-guest relationship has been used to understand a much broader range of tourism interactions. Despite its popularity and continued use, the host-guest paradigm has not gone unchallenged. Aramberri argues that the host-guest paradigm should be discarded outright concluding that:

One can sustain with good cause that the model does not apply as soon as host communities go beyond dealing with drifters... Definitely, it does not help to explain domestic tourism, nor the international flows to mature destinations, that is, the overwhelming majority of tourist exchanges (2001, p. 756).

Given the limitations of the host-guest paradigm it seems ill-suited for the purposes of this thesis: analyzing tourism within the context of Southeast Alaska (a generally mature destination) and indigenous economic development (requiring visitation beyond the scope of the occasional 'drifter').

An alternative, and ostensibly more versatile theoretical model of tourism is provided by Miller and Auyoung (1991). The Broker-Local-Tourist (BLT) model of tourism recognizes three groups of actors (*brokers* with a vested interest in some aspect of the tourism industry, *locals* of the destination with no vested interest, and *tourists* who visit a destination) whose interaction simultaneously is constrained by, and impacts the human, natural and technological setting of the destination. For understanding tourism interactions and impacts, the recognition of the wide variety of local and external brokers in industry, government and the non-profit sector seems critical. At the most basic level it seems quite obvious that a local resident who profits directly from tourism, as a guide for example, must be understood differently than his neighbor who must accommodate the presence of tourists without deriving any direct benefit. Less intuitive, but equally important is the extensive and diverse network of brokers involved in producing (also preventing, controlling or managing) the tourism products offered in a given destination.



**Figure 6.** Broker-Local-Tourist (BLT) Model of a Social-Ecological Tourist System. Adapted from Miller, Auyong, & Hadley, 2002, p. 8.

The BLT model is particularly useful as an analytical tool because it recognizes that touristic systems are complex, integrated social-ecological systems. As such, the model serves as a guide for understanding a wide variety of interactions and feedbacks between diverse individuals, groups and environmental factors in a given place (Miller, Orams, Luck, Auyong, & Graupl, 2008). For the purposes of this thesis the BLT model is ideal, because it seems flexible enough to account for the complex social, cultural, economic, environmental and political relationships that pervade efforts in indigenous capitalism.

### *Mass Tourism*

The goal of this discussion of tourism is to set the stage for understanding what may or may not work in the context of indigenous economic development in Southeast Alaska. It is

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therefore necessary to discuss some of the basic options available for tourism development in the region. A great deal of the aforementioned diversification in available tourism products has been in reaction to negative perceptions of tourism in general, and equally negative stereotypes of ‘the tourist’ (Miller, 1993). Thus, it seems logical to start an exploration of tourism products with the better known, non-specialized forms. Mass tourism, it can be argued, is today’s default form of tourism. At the very least, it is the most ubiquitous form, and thus its virtues and perils are most often invoked in discussions of tourism development. Mass tourism is generally associated with high volumes of visitors, international amenity providers and moderate prices (Milne & Ateljevic, 2001). Smith identifies three subdivisions of high volume tourism, explaining:

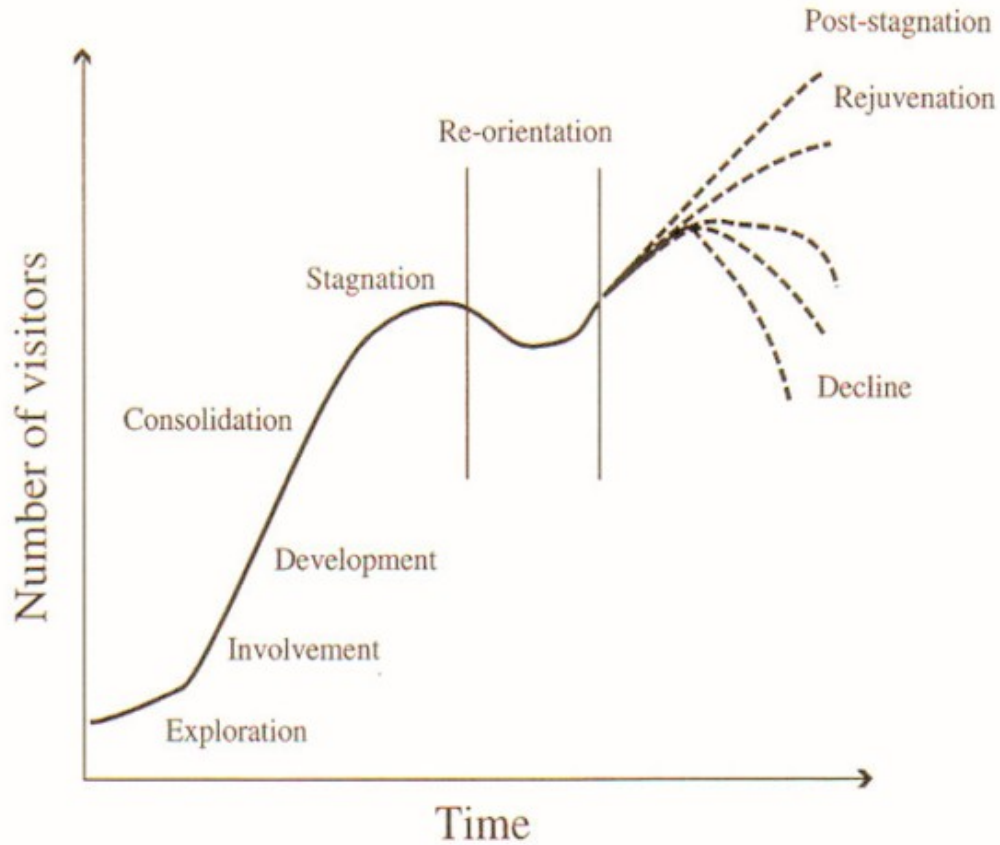
Incipient Mass tourism is a steady flow of people, and although the numbers are increasing, they usually travel as individuals or in small groups. The tourist industry is only one sector of the total economy, and hotels usually have a mix of guests including domestic travelers and businessmen as well as tour groups... Mass tourism is built upon middle-class income and values, and the impact of sheer numbers is high... With a “you get what you pay for” attitude, they fill up hotels of every category, pensions, and hostels *but*, as a common denominator, they expect a trained, multi-lingual hotel and tourist staff to be alert and solicitous to their *wants* as well as to their needs. The “tourist bubble” of Western amenities is very much in evidence... Charter tourists wear name tags [and] are assigned to numbered buses... Given the requisite organization that makes Charter tourism a high-volume business, to avoid complaints tour operators and hotels have standardized the services to Western (or Japanese) tastes... For Charter tourists, even destination may be of very little importance... (1989, pp. 13–14).

Allowing for some amount of variability within the market as suggested by Smith, generally speaking Mass tourism evokes images of cruise ships, all inclusive resorts and tour busses (not to mention Bermuda shorts, sunburns and oversized cameras). For many communities or others concerned with tourism’s impacts, Mass tourism is overwhelmingly perceived negatively (Miller & Auyong, 1991). More often than not, this type of tourism development serves as an example of what happens in the absence of effective planning or management. Given the extensive literature documenting the minimal local economic benefit and negative environmental and

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cultural impacts of unregulated development it is not surprising that tourism is poorly received by many (Harrison & Husbands, 1996).

The specific, negative outcomes of tourism development have been discussed at length elsewhere in the literature (See, for example: Beard-Moose, 2009; Bunten, 2008, 2010; Butler & Hinch, 1996; Chambers, 1997; Farrell, 1979; Harrison & Husbands, 1996; Neto, 2003). Three major themes emerge from this extensive documentation of tourism's harmful impacts. First, the scale of Mass tourism lends itself to participation by vertically integrated international corporations, and as a result major tourism destinations are prone to 'leakage' of potential income. Reid explains the problem of leakage, saying "the money spent on the individual travel purchase remains in the home country of the travel corporation, and does not reach the destination community where the tourism activity takes place (2003, p. 45). While the financial benefit of tourism tends to accumulate outside the destination community, other impacts show the opposite pattern. Indeed, the negative impacts associated with tourism development accumulating in the destination are so prevalent that they represented in the classic tourism area life cycle (TALC) model (R. W. Butler, 2011). Figure 7 shows the TALC model in which tourists destinations are predicted to increase in popularity, but are ultimately destined to be "loved to death" as impacts undermine the quality of the tourist destination. In the absence of some type of re-orientation through marketing or management a destination will ultimately decline.



**Figure 7.** Tourism Area Life Cycle Model. Adapted from Butler, 2011.

The specific causes of decline include the remaining themes apparent in the literature on tourism impacts. The second theme is environmental degradation resulting from tourists and tourism related development. Collectively, tourists and the infrastructure needed to attract and accommodate them can have massive impacts on local environments. Pollution, soil erosion and loss of biodiversity are a few of the common environmental impacts in popular tourist areas (Miller et al., 2002). As a specific example, on Boracay Island in the Philippines unregulated development and poor infrastructure led to the contamination of the island’s coastal waters with untreated sewage flowing from beachfront hotels (Trousdale, 1999). An influx of tourists can produce obvious negative impacts on the natural environment, but the socioeconomic and

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cultural landscape of tourist destination is by no means immune. The third main theme the aforementioned literature is the effect of introducing new people, money and ideas, often in large quantities, in to a community or region. Any number of disruptions have been documented including impacts on traditional land use patterns (Harrison & Husbands, 1996), commodification of culture (Bunten, 2008), inequitable wealth distribution (Reid, 2003), degradation of culturally important areas (Jamieson, 1998) and perpetuation of racist and colonial sentiments (Chambers, 1997) to name a few. These challenges are even more acute in indigenous communities where social and cultural issues are of heightened importance, but also subject heightened tourist interest (Johnston, 2006). Despite the well documented impacts of Mass tourism, in many regions tourist development represents one of the only potentially viable industries and thus, the benefits of tourism remain enticing (Miller et al., 2002). The need to maximize benefits while minimizing negative impacts has been recognized, and many forms of 'responsible tourism' have emerged in an attempt to achieve a better balance (Harrison & Husbands, 1996). Several of these forms of tourism will be introduced below.

### *Tourism and Culture*

Many of the negative social impacts of tourism result from the clash of cultures that can occur when tourism development does not give consideration to local culture and customs. An influx of outsiders who generally give little consideration to local customs and social norms has soured many destinations on tourism development and made others hesitant to pursue it at all (Grekin & Milne, 1996). One way to minimize these challenges is by encouraging tourism that embraces and highlights local culture and history. While there is likely to be some social impact of any cultural interaction regardless of the care with which it occurs, negative outcomes should

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be reduced when tourists choose to visit a destination *because* of the local culture rather than in spite of it (Bunten, 2010). This type of tourism is variably referred to as ‘cultural tourism’, ‘heritage tourism’, and ‘cultural heritage tourism’. Some have made distinctions between the meanings of these three terms, but generally speaking the preferred term varies regionally and the three can be used interchangeably. For the purposes of this thesis the term cultural tourism is used, and is understood according to the inclusive definition offered by Jamieson:

Travel concerned with experiencing the visual and performing arts, heritage buildings, areas, landscapes, and special lifestyles, values, traditions and events... [including] handicrafts, language, gastronomy, art and music, architecture, sense of place, historic sites, festivals and events, heritage resources, the nature of the work environment and technology, religion, education, and dress (1998, p. 65).

Growing global demand for cultural tourism destinations offers communities a new opportunity for economic development by transforming components of local culture in to tourism products (Zeppel, 2002). However, the commodification of culture can have its own impacts, and cultural tourism is not free from all the challenges of mass tourism (Bunten, 2008).

Cultural tourism is often suggested as an economic development strategy, especially in indigenous communities because of their rich living and material culture (Erikson, 2003; Grekin & Milne, 1996; Nepal, 2004; Schneider, 2006). However, it is in these same communities where tourism development may be most contentious. The colonial past of much of the indigenous world has ingrained a healthy skepticism of outside influence on local culture in some Native communities (Chambers, 1997; Grekin & Milne, 1996). In extreme cases, when this sentiment is held by a majority of residents or influential leaders of a community, tourism – regardless of its sensitivity to local culture – may be precluded. If, on the other hand, some type of cultural tourism development is to proceed (again, especially in indigenous communities), the first and best way to minimize conflict is through community involvement (Bunten, 2010; Reid, 2003).

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This is in great part because the culture that will be marketed as a commodity for the benefit of individuals is in reality collectively owned. When outsiders or a small number of powerful, local tourism brokers make decisions about collective property a great deal of ill will is usually generated (Johnston, 2006). Depending on the variety of brokers involved in a proposed cultural tourism development the community may have to engage through different channels. For example, a community owned enterprise (i.e. tribal or Native owned) may be able to organize community discussion on various considerations of cultural tourism development. However, if individual entrepreneurs are developing cultural tourism products a community government may need to hold community meetings in order to develop regulations or best practices (Reid, 2003). Finally, if non-local brokers play a significant role in development the community may have limited options for involvement. Even when formal agreements are made with large developers the expected community benefits (e.g. employment, tax revenue) are not guaranteed (Dyer, Aberdeen, & Schuler, 2003). In any case, community capacity to make decisions and evaluate opportunities is important to addressing the conflicts that may arise in cultural tourism development.

In the indigenous communities where cultural tourism is often encouraged there are many important decisions that must be collectively made regarding commodification of communal resources. Specifically, it is necessary to identify what components of culture are suitable for sharing with tourists and which are not (Beard-Moose, 2009). Decisions must be made about a variety of issues including the use, display, sale and reproduction of goods (e.g. art, tools, food and weapons), land and natural resources (e.g. sacred sites, hunting/fishing/gathering areas), performances and rituals (e.g. spiritual ceremonies, dances/ songs, rites) and other activities (e.g. subsistence harvest, food preparation). While it is of course unlikely to reach consensus on every

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issue, a sufficiently transparent and communal decision making process should minimize unanticipated conflict that may negatively impact the tourism product and unnecessarily undermine development goals (Okazaki, 2008).

Cultural tourism is no doubt a growing industry with ostensible benefits for indigenous communities (Jamieson, 1998). However, observers have reached vastly different conclusions regarding the relationship between cultural tourism and responsible tourism and the degree to which a community ever has, or can retain control cultural tourism development is debatable. Jamieson (1998, pp. 84–85), for example argues that “Worldwide, the [tourism] industry aggressively appropriates and commodifies Indigenous cultures. Land rights are maligned, ceremonies are mocked, millennial arts are debased and healing practices are pirated.” Nepal (2004, p. 174), on the other hand suggests that “by ‘showcasing’ Native culture and values, especially through the art of Native story-telling and interpretation, non-indigenous society will gain a fuller understanding and insight of their views, whilst providing indigenous peoples with opportunities to assert their rights and autonomy through economic empowerment.” As is so often the case, the truth of the matter lies somewhere between these two extremes. Cultural tourism indeed offers potential benefits, but the risks are real and should not be ignored. Tourism of any type can have direct impacts on local social and cultural systems. However, many impacts on local human systems are not direct, but rather result from the externalities of environmentally unsustainable tourism development. Thus, responsible tourism must consider the local environment in addition to local people.

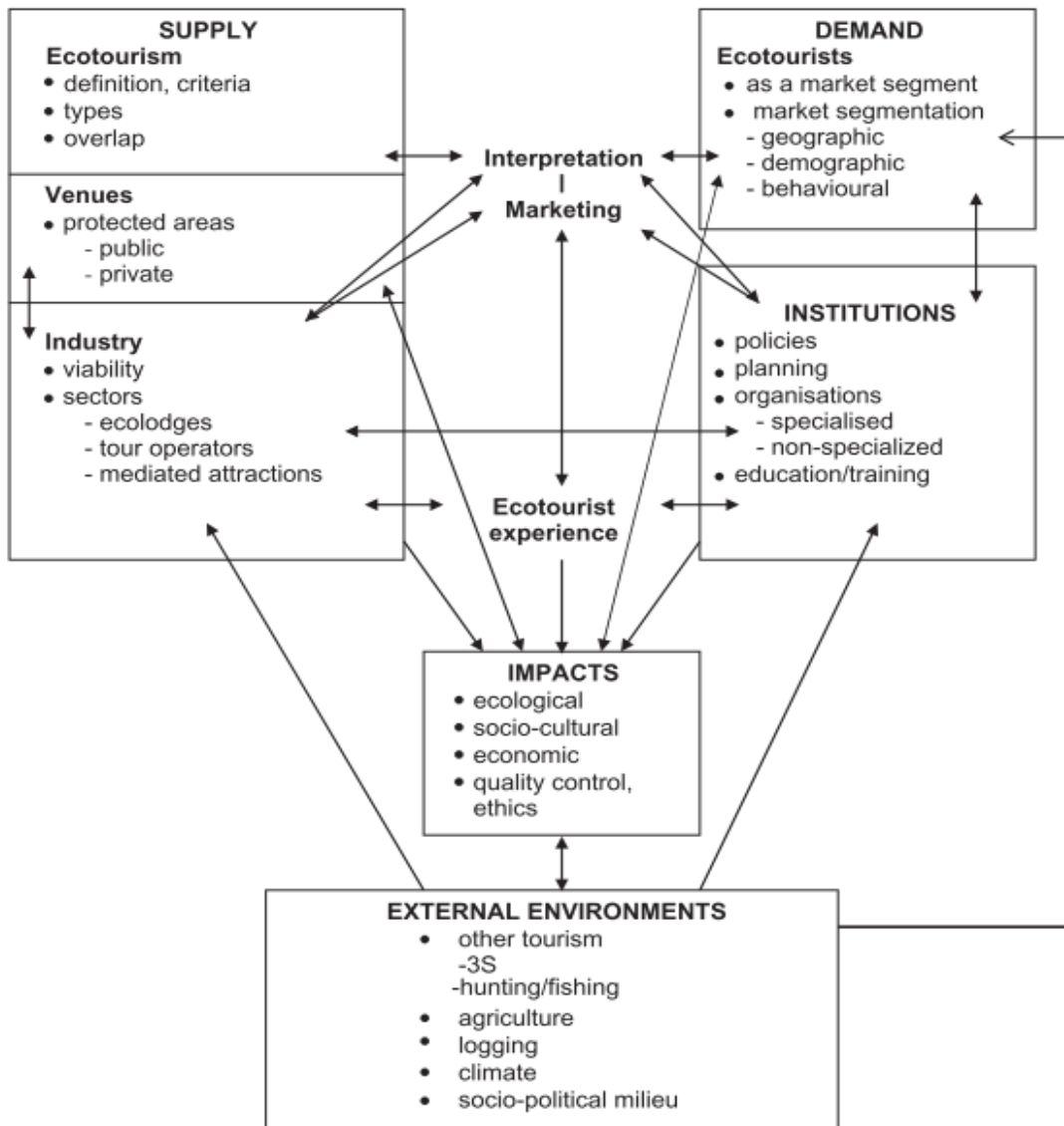
*Tourism and Nature*

In recent years the line between cultural tourism and responsible varieties of nature tourism has become increasingly blurred (Weaver & Lawton, 2007). The boundaries of what constitutes the most prominent form of such tourism – ecotourism – have been pushed as tourism brokers in the private sector, government, non-profits and academia continue to market, promote, study and manage the incredible growth in this sector. Despite the growing breadth of the ecotourism definition, a wide variety of similar or identical varieties of nature-oriented tourism have emerged under different names. Miller (1993, p. 188) provides as examples ‘adventure tourism,’ ‘nature-oriented tourism,’ ‘alternative tourism,’ ‘appropriate tourism,’ ‘soft tourism,’ (*tourisme doux*), ‘responsible tourism,’ ‘ethical tourism,’ ‘environment friendly travel,’ ‘green tourism,’ ‘sustainable tourism,’ ‘nature tourism,’ ‘equality tourism,’ ‘ethnic tourism,’ ‘cultural tourism,’ ‘socio-ecological tourism,’ ‘photo-safari tourism,’ ‘dive tourism,’ and ‘surfing tourism’. This list is extensive, but could no doubt go on and today might include, for example ‘wildlife tourism,’ ‘marine tourism,’ ‘science tourism,’ ‘subsistence tourism,’ and ‘indigenous tourism’. The semantics of nature-based tourism types may seem a bit trivial from a practical perspective, but it is worthwhile to appreciate both the diversity and ambiguity of the terms that are employed to describe a product that should be, but is not always significantly different from traditional Mass tourism (Johnston, 2006). For the purposes of this thesis it is necessary to understand several key things about this ambiguous segment of the tourism market. First, given the popularity of the term ‘ecotourism’ it is necessary to develop a working definition. Second, because of the juxtaposition of rich cultural and natural resources in Southeast Alaska it is worthwhile to consider the interaction between ecotourism and cultural tourism. Finally, given

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the popularity of extractive forms of wildlife tourism in Southeast Alaska (e.g. hunting, fishing) it is necessary to understand the relationship between ecotourism and resource extraction.

Notwithstanding the recent tendency towards inclusivity in ecotourism marketing, there are several underlying principles on which this type of tourism has historically been based. Very generally these include a focus on the natural world and minimization of negative environmental impacts (Valentine, 1993). Since its emergence from the environmental movement in the 1980s the term has intermingled with ideas of sustainable development to take on a more holistic meaning in which *human* impacts are also minimized while local benefits are maximized (Miller, 1993). Weaver and Lawton suggest that today there is general consensus on at least a few criteria, including that “(1) attractions should be predominantly nature-based, (2) visitor interactions with those attractions should be focused on learning or education, and (3) experience and product management should follow principles and practices associated with ecological, socio-cultural and economic sustainability” (2007, p. 1170). Following from these criteria, for the purposes of this thesis ecotourism is understood as a non-extractive activity focused on the natural environment and its non-human inhabitants, which is intended to increase awareness and appreciation while producing minimal impact on the environment and local human communities. This definition is intentionally minimalist in order to provide clearer distinction between ecotourism and the other forms discussed herein. This allow for a more useful discussion of the relationship between tourism types and also to draw further attention to the limitations of a narrowly focused ecotourism. Figure 8 provides an overview the ecotourism sector. This compartmentalized and idealized representation of the constituent parts of the sector and its interactions with other forms of tourism, and the world at large offers a good starting point to consider the relationship between ecotourism and other types of tourism.



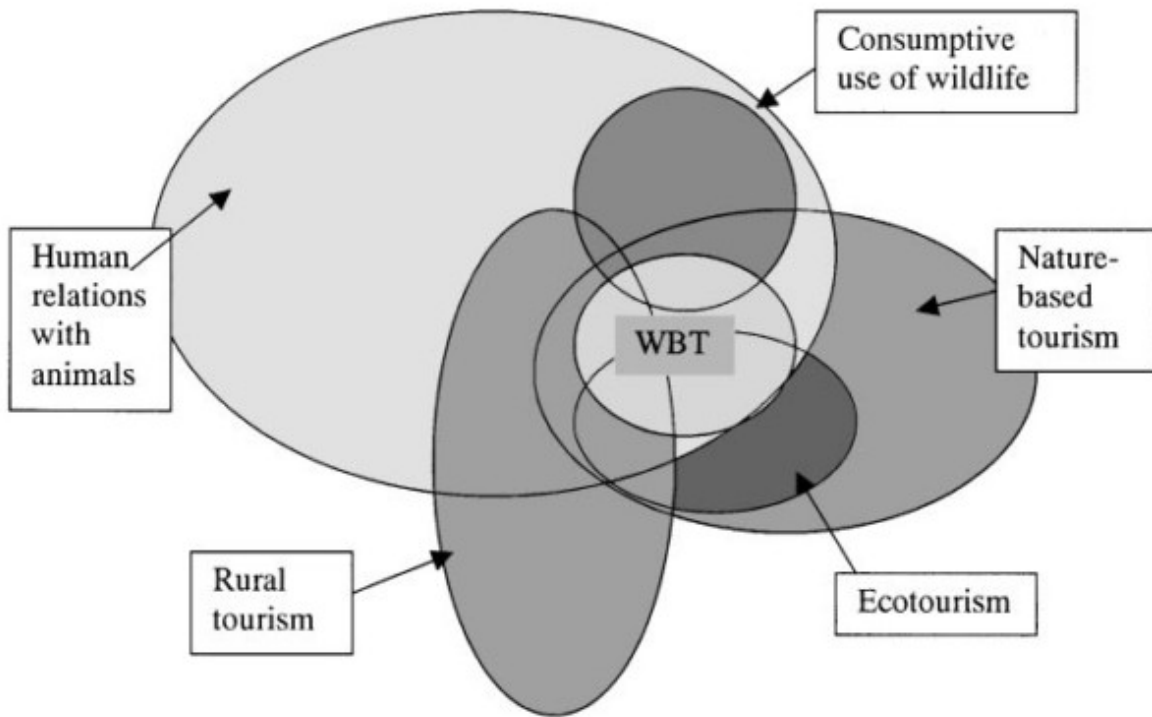
**Figure 8.** Schematic of the ecotourism sector. From Weaver & Lawton, 2007, p. 1169.

Using the definition given above there is only one location within the ecotourism schematic provided in Figure 8 where cultural tourism fits; “other tourism” under external factors. Thus, cultural tourism is considered as separate as logging or agriculture. Culture itself is recognized in the model, but only insofar as it may be impacted by tourist activities, not as a potential component of the ecotourism product. Ecotourism, under this model, therefore serves to

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divorce human and natural systems. This theoretical de-peopling of natural landscapes can be problematic for several reasons. In extreme cases the pursuit of pristine landscapes may lead to forcible eviction of local, relatively powerless populations from traditional lands (Johnston, 2006). In other cases a failure to address the interaction of local people with the natural world can lead to confusion or hostility among tourists when locals are perceived to be negatively impacting a 'pristine' environment (Bunten, 2010). Finally, both cultural tourists and ecotourists tend to seek deeper, more educational experiences, and thus an opportunity is likely missed when ecotourism products fail to integrate local culture (Steele-Prohaska, 1996). Thus, in the real world the challenge and folly of adhering to an orthodox ecotourism becomes rapidly apparent. There appears to be ample room for synergy between cultural tourism and ecotourism with the potential for innovative and profitable new tourism products. An example of a largely undeveloped, hybridized cultural-ecotourism product – subsistence tourism – is introduced and discussed in Appendix E.

In Southeast Alaska, cultural tourism is relatively underdeveloped but is expected to continue to grow (Bunten, 2010). In contrast, the sport fishing industry is well developed, highly competitive and is a perennial powerhouse of tourism in the region (Cervený, 2005). Sport fishing tourism (and trophy hunting which can be considered in a similar fashion), like ecotourism, is fundamentally an activity based on interaction with the natural world. However, for the most part recreational angling has been excluded from the realm of ecotourism (Weaver & Lawton, 2007). Figure 9 shows one perspectives on the relationships between various forms of tourism and interactions with animals.



**Figure 9.** Wildlife-based tourism (WBT). From Reynolds & Braithwaite, 2001, p. 32.

This figure provides a useful representation of the relationship between several types of tourism and human-animal interaction. However, one notable feature is that it allows for no overlap between consumptive use of wildlife and ecotourism. This perspective, is not universally held, and may be problematic indigenous communities where consumptive activities and a conservation ethic often overlap. Zwirn, Pinsky and Rahr argue for a more nuanced understanding of the relationship, saying:

There are problems with using the consumptive/non-consumptive dichotomy to define ecotourism, however, since all tourism involves consumption on some level. Virtually all forms of tourism burn fossil fuels in transportation, produce cumulative impacts from visitor footprints, and use resources to produce souvenirs. It would be more appropriate to place tourism activities along a continuum that examines the particular impacts of each activity in detail and acknowledges that most tourism activities provide both products and experiences (2005, pp. 17–18).

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This argument seems quite valid, and again challenges the usefulness of an orthodox definition of ecotourism, especially in Southeast Alaska. It would seem then that the consensus on a definition of ecotourism described by Lawton and Weaver (2007) is at best academic and at worst non-existent. When combined with the propensity towards ‘greenwashing’ among Mass tourism developers through misappropriation of the ecotourism title, the term, both from an analytical and marketing perspective seems rather unhelpful (Johnston, 2006). This is not to say that the underlying principles of ecotourism are not sound, or that conservation and sustainable development should not be paired with tourism. However, it does suggest that there is room for innovation within the world of nature-based, responsible tourism.

### *Tourism and Indigenous Peoples*

From the preceding discussions of indigenous capitalism and several common types of tourism it should be clear that, as a driver of indigenous economic development, tourism presents many opportunities, but also many challenges. Indigenous communities frequently possess rich cultural and natural resources, each with significant touristic appeal. The diversifying tourism market presents such communities with many formulae for tourism development including cultural and ecotourism. However, reproduction of existing tourism models may not always be the best option for Native tourism development given the unique goals of indigenous capitalism and the previously identified issues associated with ecotourism and cultural tourism. In order to maximize return on local tourism resources, Native communities may prefer to transcend traditional market distinctions in planning for and promoting tourism development. Indeed, ‘indigenous tourism’, a distinct form of responsible tourism, has begun to emerge in recent years (Bunten, 2010).

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As indigenous peoples have emerged from decades of colonialism and entered a new era of (relative) self-determination in a globalized world, many have begun to explore tourism as an option for economic development. Much has been written about the continued exploitation of indigenous populations under mass tourism development (Beard-Moose, 2009; Johnston, 2006; e.g. Tauli-Corpuz, 2010), but there are also examples of indigenous communities embracing, planning for and guiding tourism development in ways that serve their unique interests (Bunten, 2008; Erikson, 2003; Grekin & Milne, 1996; Schneidler, 2006). Bunten (2010) explains that while early, “first wave” indigenous-owned tourism enterprises largely reproduced pre-existing cultural tourism models, a “second wave” of more genuinely indigenous tourism has emerged since the 1990s. She goes on to define indigenous tourism as:

any service or product that is a) owned and operated at least in part by an Indigenous group and b) results from a means of exchange with outside guests... Indigenous tourism encompasses a wide range of experiences, including cultural tourism, ecotourism, adventure tourism, gaming, resorts, and other related services. Most Indigenous tourism venues are less than a decade old, made possible largely through increased communications technology, the rapid expansion of the inter-national tourism industry, and neoliberal government policies aimed to boost national economies through international visitorship and to rectify multigenerational trauma resulting from past colonial engagements, assimilationist policies, genocide, and slavery (Bunten, 2010, pp. 285–286).

Thus, indigenous tourism is distinct from other types of tourism in that development must be guided by Native peoples rather than a third party. Like other indigenous economic development efforts, this control may take on many forms including collective tribal government/corporate ownership, or ownership by Native individuals (Duffy & Stubben, 1998).

While this definition of indigenous tourism allows that operations may superficially resemble products offered by other brokers, the existence of mitigating value systems as described by the Theory of Indigenous Capitalisms may distinguish even ostensibly Mass tourism products (e.g. Indian casinos) from non-native products. Bunten explains that “For most

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Indigenous peoples... hospitality has always been serious business...Adapting the protocols of hosting with its associated social functions and embedded aesthetics to a commercial context comes naturally” (2010, p. 258). Thus, on one hand any Native-owned tourism development can be considered indigenous tourism insofar as it is expected to incorporate some type of mitigating value system. On the other hand, in the context of rural development where large-scale tourism is often neither feasible nor desirable, indigenous tourism can be made a deeper, more highly differentiated product through integration in to the social, cultural and economic systems of indigenous communities.

Indigenous communities therefore have the potential to develop very unique tourism experiences likely to appeal to a class of travelers seeking deeper tourism experiences (Stebbins, 1997). Pursuing such a market is desirable because these travelers often spend more time and money at their destination, and thus offer the potential for low volume, high (economic) value tourism development (Valentine, 1993). An example of this type of deep indigenous tourism – subsistence tourism – is discussed further in Appendix E. Subsistence tourism serves as an example of the innovative ways that Native communities might combine a variety of cultural and natural resources with significant tourism development potential through integration of tourism with existing economic (subsistence) activities. Similar synergies may exist between tourism and other economic activities commonly engaged in by indigenous groups such as commercial fisheries, forestry, agriculture and aquaculture. The increasing popularity of agritourism – a form of tourism where participants are willing to pay to participate in activities traditionally considered work – suggests that work-based experiential tourism has potential in indigenous communities (Phillip, Hunter, & Blackstock, 2010). Indigenous tourism offers a great deal of flexibility for Native communities. It places the utmost value on local control and embraces

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innovation while working within existing value systems. Furthermore, it avoids the limitations and ambiguities of terms like ecotourism. Thus, indigenous tourism offers one of the more exciting opportunities for integrating indigenous economic development and tourism.

### **Chapter 3 – The Case Study Method**

This thesis employs single-case study research design (Yin, 2009). As a research method the case study has been widely used, regularly criticized and generally misunderstood (Flyvbjerg, 2006; Hancock & Algozzine, 2011; Yin, 2009). Because of this it seems prudent to provide a brief discussion of the method's suitability for addressing the research questions at hand and to address some of the common criticisms of the method. Despite a history of use in diverse academic and applied fields including anthropology, social work, political science, business and marketing and public administration the case study method remains poorly defined (Yin, 2009). The label "case study" is often casually applied to non-case study research; usually to describe a specific application of some other method or analysis. However, to experienced practitioners of the method the case study is generally understood more narrowly as a method for addressing complex, contemporary phenomena in their natural environment (Darke, Shanks, & Broadbent, 1998). Hancock and Algozzine (2011, p. 15) provide perhaps the most current and concise definition of the method, explaining that "doing case study research means conducting an empirical investigation of a contemporary phenomenon within its natural context using multiple sources of evidence". Thus, a true case study should provide a rich, contextualized description and comprehensive analysis of one or several related questions about a case which might be an individual, organization, community, project, relationship or other phenomenon (Yin, 1981a).

Within this more narrowly defined category of case study research there exist a variety of common research designs, purposes and disciplinary foundations (Hancock & Algozzine, 2011). It is beyond the scope of this thesis to provide a full description of the many potential varieties, but it is important to recognize that variations of the method have been legitimately employed in a many fields for many reasons. Based on a variety of classification schemes the study reported

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on in this thesis could most accurately be described as a *historical, collective, holistic, exploratory single-case study*. There are few if any situations in which it would be appropriate to describe a study so completely, but for the purposes of this thesis it is worthwhile to note the different classifications. Furthermore, each of these descriptors indicates something important about how the current research has been designed, conducted or analyzed. *Historical* refers to the disciplinary orientation of the research. Merriam (1988) explains that a historical case study expands upon the traditional scope of historical research by supplementing documents and artifacts with observation and/ or interviews. Case studies with a historical disciplinary orientation often seek to understand how a case has changed over time within its context. A second distinguishing characteristic of a case study is its intended purpose. While an *intrinsic* case study will generally be concerned with understanding the specific case, an *instrumental* case study will be more focused on contributing to the development or testing of theory (Hancock & Algozzine, 2011).

The current research would seem to span this distinction because it intends to simultaneously test theory while increasing understanding and improving performance of the case subject; this type of research may be referred to as a *collective* case study. Separate from this distinction Yin (2009) classifies the purpose of case studies as *exploratory, descriptive or explanatory*. The current research is exploratory insofar as its specific research questions address emerging theory and topics that have not been specifically studied before. It can be differentiated from the other designs because it does not seek to identify cause and effect relationships as in an *explanatory* case study or present a “complete description” which is the goal of a *descriptive* study and often associated with an ethnographic disciplinary orientation (Hancock & Algozzine, 2011, p. 37).

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The final two descriptors from above refer to important aspects of case study design. The current case study can be considered *holistic* as opposed to *embedded* because the study involves only one unit of analysis. In practice this means that all data were collected and analyzed with consideration given only to how they relate to the rural economic development strategy of Sealaska. An embedded design would include subunits of analysis; for example specific projects or investments. The holistic design is justified because the unit of analysis of the study is sufficiently specific and the underlying theory is rather general (Yin, 2009). If on the other hand the study were to address the entirety of Sealaska Corporation an embedded design may be preferred.

Finally, perhaps the most important classifying characteristic of a case study is whether it employs a single or multiple-case approach; the current research employs a single-case design. Multiple-case studies involve completing studies of several individual cases in order to allow for cross-case and comparative analysis (Yin, 1981a). While generally considered the stronger research design for supporting generalization of conclusions the multiple-case study design is not always the preferred method. First, in the case of intrinsic research the case is not seen as only a tool that supports the development or testing of theory. Rather, if the research has an intrinsic (or collective) purpose then the case itself and the contribution of the research to that case becomes more important (Hancock & Algozzine, 2011). Additionally, Yin (2009) argues that a single-case study design may be the preferred method when the case is: extreme or unique, critical with regard to testing a theory, representative or typical, only recently available for study, or longitudinal (designed to study a single case at multiple times).

With regard to the single-case study design a great deal has been written on choosing a case. There is agreement among practitioners that selection should not be randomized as in

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statistically generalizable research design, however beyond this there is no generally accepted rule for case selection (Bennett & Elman, 2006; Ragin & Becker, 1992; Yin, 2009). Selection of a single-case design in the current research was largely motivated by the intrinsic intention of the study; improving economic development strategies and evaluating tourism as a potential investment for Sealaska Corporation. The research method was selected for the case whereas a more standard approach would be for a case to be selected for the method. Thus, selection of the case did not follow from some predetermined screening criteria. Rather, in collaboration with Sealaska, relevant research questions were developed. Following advice from Yin (2009, p. 8) the research method most suited to answering these questions was selected. In addition to the compatibility between research questions and method, the use of this single case is justified based on Yin's (2009) aforementioned criteria for use of the single-case design. In fact, this case seems to fit in to several of the categories where a single-case design may be preferred. Specifically, with regard to the emerging theory of indigenous capitalisms (Bunten, 2011) Sealaska can be considered a critical case insofar as all the key propositions of the theory are expected to be observable in the company's economic development strategy. With regard to Native corporations Sealaska could generally be considered a typical case, and yet paradoxically also a unique case because given external conditions tourism development would be expected but has not been pursued. Therefore, this *historical, collective, exploratory, holistic single-case study* of Sealaska Corporation's rural economic development strategy is an appropriate application of the method as demonstrated by experienced practitioners.

*Misuse and Misunderstanding*

Despite its widespread use and ostensible acceptance within many fields, case study research is subject to rather frequent criticism. In general these criticisms focus on the validity of the information and conclusions produced using case study research. According to Yin (1981a, p. 97), the common belief within the social sciences has been that case study “(1) should be used at the exploratory stages, (2) leads only to unconfirmable conclusions, and (3) is really a method of last resort.” More specifically, questions are frequently raised about the rigor of case study data collection and analysis, and the generalizability of conclusions (Yin, 1981b). Flyvbjerg supports and expands upon Yin’s observations and summarizes five frequent criticisms of the case study method:

- 1: General, theoretical (context-independent) knowledge is more valuable than concrete, practical (context-dependent) knowledge.
- 2: One cannot generalize on the basis of an individual case; therefore, the case study cannot contribute to scientific development.
- 3: The case study is most useful for generating hypotheses; that is, in the first stage of a total research process, whereas other methods are more suitable for hypotheses [sic] testing and theory building.
- 4: The case study contains a bias toward verification, that is, a tendency to confirm the researcher’s preconceived notions.
- 5: It is often difficult to summarize and develop general propositions and theories on the basis of specific case studies (2006, p. 221).

If one is to believe these stereotypes then it would seem the case study as a scientific method is of relatively little value. However, upon closer evaluation it is apparent that the case study has unfairly gotten a bad name. Yin (2009) argues that a great deal of this criticism, especially with regard to the method’s lack of rigor, stems from a history of poorly conducted case studies. Additionally, the continuing ambiguity surrounding the method invites skepticism based on stereotypes and misunderstanding. Despite its widespread use, unlike many other research

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methods there is comparatively little written about the process of actually conducting a case study (Hancock & Algozzine, 2011).

### *Addressing Validity*

The aforementioned criticisms suggest that rigor, bias and generalizability are thought to be the prominent challenges inherent in the case study method. Of the five common misconceptions identified by Flyvbjerg (2006) all but the first relate directly to these challenges. While the first of the five no doubt relates to case study research, this misconception represents a more systematic problem in the social sciences and there is little the researcher can do to address it in a single study. As for the Flyvbjerg's remaining points, while characterized as misconceptions they certainly reflect real challenges in case study research. However, as opposed to the first misconception there are concrete steps that the researcher can take to address the remaining underlying challenges.

Taken together, criticisms of rigor, bias and generalizability can be understood as challenges to the validity of the method. The issues of rigor and bias are closely related, as a lack of rigor implies the potential for bias in data collection and analysis. Furthermore, the assertion that the method suffers from a tendency towards confirmation suggests that the methods used are not sufficiently rigorous to avoid such a bias (Darke et al., 1998). Yin (2009) argues that bias and the perception of bias can both be reduced by thorough and continuous description and documentation of one's research methods. This practice addresses one component of validity; reliability. Reliability can also be understood as repeatability. A study is considered reliable if another researcher is able to repeat the study and arrive at the same conclusions (Gibbert & Ruigrok, 2010). If methods are not explicitly stated and data not appropriately catalogued then it

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would be impossible to ever test the reliability of a study. A lack of documentation and reporting on methods has been common in past case study research and has contributed to the skepticism about the rigor of the method (Yin, 2009). Thus, while criticism of the case study method is perhaps unfairly harsh the case study researcher must focus on transparency and repeatability in conducting and reporting case studies in order to overcome this skepticism. Reliability can also be enhanced by minimizing the analytical burden placed on the individual researcher. Gibbert and Ruigrok (2010) argue that reliability is increased when data are presented with minimal inference. Similarly, Yin (2009) suggests operationalizing as many steps in the data collection and analysis process as possible in order to reduce inference.

While reliability must be dealt with throughout the research process, a great deal can be done to address other components of validity before the study commences. Without a thorough understanding of the theoretical and practical considerations inherent to the specific case it is highly unlikely that convincing conclusions will ultimately be drawn from a study. Yin (2009, p. 26) summarizes saying: “a research design is *a logical plan for getting from here to there*, where *here* may be defined as the initial set of questions to be answered, and *there* is some set of conclusions (answers) about these questions”. He goes on to explain that the study design research phase involves identifying research questions, developing propositions or logic models, defining and selecting a case, choosing data collection and analysis methods, determining the desired research product and outlining the case study report. If completed successfully this planning process should facilitate actions throughout the research process that will ultimately increase the validity of the study. Following from Yin’s suggestions an explicit case study design and research protocol was developed for the current study (Appendix A). Table 2 summarizes

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the steps of case study research, activities that can increase validity and the reasoning behind these actions.

Aside from reliability, consideration must be given to the other components of validity which include construct, internal and external validity (Yin, 1981a). Construct validity is related to reliability insofar as both benefit from operationalizing procedures and reducing inference in data collection and analysis. However, in the context of construct validity these actions are intended to ensure that the researcher is making observations of objective reality rather than subjective judgments about the case (Gibbert & Ruigrok, 2010). Because the answers to case study questions can rarely be directly observed some level of inference is likely necessary. Construct validity is increased by taking steps to show that the conclusions drawn about a case represent the objective reality of the case. In practice this is done by utilizing multiple sources of data to support conclusions, establishing a chain of evidence that documents how the data directly led to a conclusion and having key informants review draft reports to confirm or confront the study's conclusions (Yin, 2009).

<b>Table 2.</b> Overview of the Case Study Method with Activities for Strengthening Validity		
Step	Activity	Reason
Getting Started	Definition of research question	Focuses Efforts
	Possibility of a priori constructs	Provides better grounding of construct measures
	Neither theory nor hypotheses	Retains theoretical flexibility
Selecting Cases	Specified population	Constrains extraneous variation and sharpens external validity
	Theoretical, not random, sampling	Focuses efforts on theoretically useful cases - i.e., those that replicate or extend theory by filling conceptual categories
Crafting Instruments and Protocols	Multiple data collection methods	Strengthens grounding of theory by triangulation of evidence

**Table 2.**  
Overview of the Case Study Method with Activities for Strengthening Validity

	Qualitative and quantitative data combined	Synergistic view of evidence
	Multiple investigators	Fosters divergent perspectives and strengthens grounding
Entering the Field	Overlap data collection and analysis, including field notes	Speeds analyses and reveals helpful adjustments to data collection
	Flexible and opportunistic data collection methods	Allows investigators to take advantage of emergent themes and unique case features
Analyzing Data	Within-case analysis	Gains familiarity with data and preliminary theory generation
	Cross-case pattern search using divergent techniques	Forces investigators to look beyond initial impressions and see evidence through multiple lenses
Shaping Hypotheses	Iterative tabulation of evidence for each construct	Sharpens construct definition, validity, and measurability
	Replication, not sampling, logic across cases	Confirms, extends and sharpens theory
	Search evidence for "why" behind relationships	Builds internal validity
Enfolding Literature	Comparison with conflicting literature	Builds internal validity, raises theoretical level, and sharpens construct definitions
	Comparison with similar literature	Sharpens generalizability, improves construct definition, and raises theoretical level
Reaching Closure	Theoretical saturation when possible	Ends process when marginal improvement becomes small

Adapted from Eisenhardt, 1989, p. 533.

Internal validity is yet another component of validity that may need to be considered in case study research. Internal validity refers to the credibility of causal links that are argued from the results of a case study (Eisenhardt, 1989). Establishing causality is a challenge in all types of

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research. Because of their in depth and focused nature case studies can offer compelling causal arguments if properly designed and analyzed. For the purposes of the current research internal validity has not been considered because the exploratory study design does not attempt to establish causality. However, in general internal validity can be increased by minimizing the possibility of “lurking variables” or rival explanations as the cause of an observed outcome (Yin, 2009). In practice this requires attempted falsification of the proposed causal relationship through consideration of alternative theories and explanations for the cause of the observed phenomena (Gibbert & Ruigrok, 2010).

### *Comments on Generalizability*

The final component of validity is external validity and it requires special attention because of its implications for the broader utility of the case study as a scientific research method. It has been argued that the scientific value of the case study is fundamentally limited because in not following a sampling protocol the results of the method are inherently generalizable only to the case itself (Yin, 1981b). However, others have contested that such an argument is based on a circumscribed understanding of generalizability (Flyvbjerg, 2006; Gibbert & Ruigrok, 2010; Yin, 1981a, 2009). While the case study does not lend itself to statistical generalization that does not mean that its findings are inapplicable beyond the bounds of the case.

Yin (2009) explains that the case study researcher relies on analytic generalization wherein results are generalized from the case to the theory rather than from the sample to the population (as in statistics). He goes on to argue that the level of generalizability of a given case study is largely associated with careful case selection. Especially with the multiple-case design a

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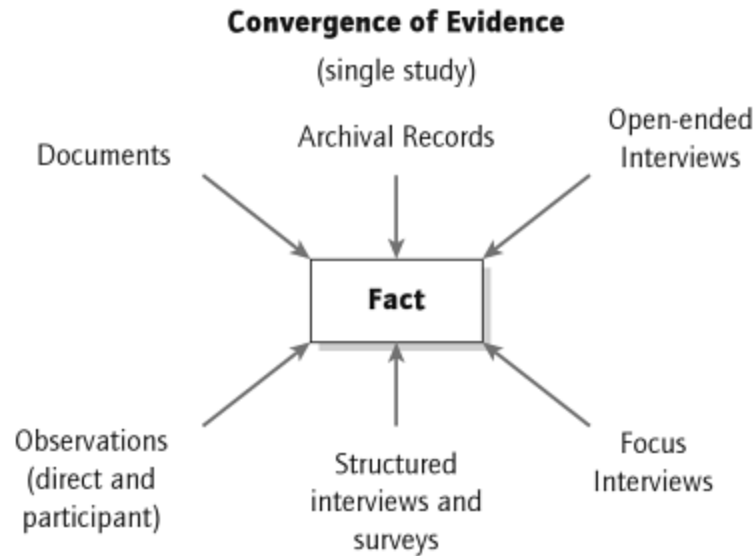
few well selected cases are likely capable of providing strong support for a theory even in the absence of any formalized sampling protocol. Eisenhardt (1989) argues that indeed case studies may be some of the best tools for theory development. Flyvbjerg (2006, p. 228) suggests that in addition to theory development case studies are an excellent method for theory testing saying: “Falsification is one of the most rigorous tests to which a scientific proposition can be subjected: If just one observation does not fit with the proposition, it is considered not valid generally and must therefore be either revised or rejected.” The generalizability of the current study is based on this idea of theory durability (Lee, 1991). As a nascent theory it seems prudent to subject Bunten’s (2011) Theory of Indigenous Capitalisms to a test of durability. Alaska Native corporations are referenced repeatedly in Bunten’s introduction of her theory, and thus the structure and operations of Sealaska are expected to be consistent with the propositions of the theory. Thus, if the current case were successful in falsifying propositions of the theory it would provide strong evidence against the viability of the theory. So, while the current study and case studies in general are not externally valid based on the standards statistical generalization, both can achieve external validity through analytic generalization and thus the results are applicable outside the given case.

### *Data Collection and Analysis*

The process of data collection and analysis for case study research can be extremely variable depending on data type, study goals, disciplinary orientation and a variety of logistical constraints. The specific methods employed in the current study will be described more completely in Part II, but in the interest of fully understanding the applicability and limitations of the case study method it is worthwhile to introduce some of the data sources and analyses

traditionally used in case study research. In their handbook for conducting case study research Hancock and Algozzine (2011) identify and offer advice on collecting data from three primary sources: interviews, observation and documents. Yin (2009) adds an additional data source and further divides two others for a total of six potential data sources: interviews, archival data, documents, artifacts, direct observation and participant observation. Yin's finer level of distinction ultimately seems somewhat excessive because for example, all physical data sources including documents, archival data and artifacts share many similarities with regard to collection and analysis. However, regardless of the level of distinction between data sources, it is widely recognized that the ability to draw upon multiple sources of evidence is a strength of the case study method (Darke et al., 1998; Gibbert & Ruigrok, 2010; Yin, 2009).

Multiple data sources serve to increase the analytical power of a study by providing multiple layers of evidence for conclusions; a process sometimes referred to as triangulation (Eisenhardt, 1989; Seawright & Gerring, 2008; Yin, 1981a). Data source triangulation is one way of developing support for inferences while protecting against challenges to validity. In thinking about data source triangulation Yin's (2009) larger number of data sources may be more useful because it highlights the fact that triangulation does not necessarily require the use of all data sources (i.e. documents, interviews and observations), but instead can include the same general data source studied or analyzed in a different way. What constitutes a discreet data source is likely to be context dependent. For example, a study may rely entirely on documents, but they could include government reports, academic literature and popular media. Even in this case if analyzed appropriately data source triangulation would be possible. Figure 10 shows how multiple data sources when collected in support of answering a single research question can converge toward an objective fact even if the phenomena of interest is not directly observable.



**Figure 10.** Converging lines of evidence result from the use of multiple data sources. From Yin 2009, p. 117.

Collection of data from multiple sources represents a concrete step that can be vital to ensuring the final product of a case study – a report or set of conclusions – is strongly supported by the evidence. However, the vital step of analysis separates the collection and reporting of data, and triangulation is as much a component of data analysis as it is of data collection. Even highly skilled data collection from several complementary sources will ultimately be wasted in the absence of effective analysis. The researcher must have a way of systematically evaluating and comparing the different lines of evidence in order to move from data to conclusions (Ryan & Bernard, 2003). Unfortunately, analysis is the step in the case study process – and indeed in qualitative research in general – for which procedures are least clearly defined and theory is most difficult to operationalize (Bryman & Burgess, 1994; Yin, 2009). Again, the actual steps of the analysis process will depend on a number of variables, especially the disciplinary background of the researcher and the variety of data collected (Hancock & Algozzine, 2011). In general, a great deal of the methods literature seems to agree that qualitative analysis is ultimately about telling a

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convincing story supported by the data, and thus a large burden is placed on the writing and analytic skills of the individual researcher during data analysis (Bryman & Burgess, 1994; Weiss, 1994; Yin, 2009). Weiss (1994, p. 153), for example argues that “In one respect all good reports, despite wide variation in style, are similar: they tell a coherent story. They provide a line of argument, or an image of how it all works...” Beyond this general agreement, different experts provide a variety of guiding principles or analytic frameworks from which a researcher can choose.

Hancock and Algozzine (2011) suggest that case study analysis follow several guidelines, including:

- Ongoing refinement of the study’s fundamental research questions in light of data obtained early in the investigation.
- Constant focus on the research questions being investigated. Each new piece of information should be examined in light of these fundamental questions.
- Collection and analysis of only those data that are potentially meaningful to the research effort.
- Development of a method for labeling, storing, and accessing information acquired during the research effort. As a minimum, every piece of information gathered must be labeled with the date, location, persons involved, and circumstances surrounding the collection of that piece of information.
- Complexity can be summarized by counting words, themes, characters, paragraphs, items, concepts or semantics.

Weiss (1994, p. 152), in discussing the analysis of qualitative data collected through interviews, suggests four general analytic approaches depending on the focus (issues or case) and analytic level (concrete or generalized): “the usual sociological account”, “the usual historical or journalistic account”, “case studies of individuals” and “typological description”. In this case depending on the goal of the report, the researcher can draw further guidance from the appropriate discipline. Yin (2009) suggests four general analytic strategies (relying on theoretical propositions, developing a case description, using both qualitative and quantitative data and

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examining rival explanations) and five specific techniques (pattern matching, explanation building, time-series analysis, logic models and cross-case analysis). Analysis for the current research was influenced by the suggestions of these and several other authors (Bryman & Burgess, 1994; Ryan & Bernard, 2003), but is based heavily on pattern matching as described by Yin (2009) and is guided by his suggestion to rely on theoretical propositions. In essence, the Theory of Indigenous Capitalisms provides the theoretical propositions and hypothesized patterns to which the case evidence can be compared.

To summarize, this thesis employs the case study method to explore the history of Sealaska Corporations efforts to encourage rural economic development in Southeast Alaska; the case study method has been introduced and its strengths and weaknesses discussed. The Theory of Indigenous Capitalisms is used as a lens through which Sealaska's history can be analyzed and its complexity understood; this theory has been introduced and its constituent parts identified and discussed. The goal of this historical reflection is to identify strengths and opportunities that might improve the performance of future economic development efforts. Specifically, Sealaska Corporation has an interest in the potential for tourism development on its lands and in its communities. A model for understanding tourism has been introduced and several specific categories of tourism that may be suitable for development by Sealaska have been described. Part Two of this thesis draws upon the aforementioned theory and methods to translate diffuse and diverse data in to concrete recommendations for Sealaska Corporation while simultaneously evaluating the Theory of Indigenous Capitalisms and expanding the understanding of what it means to be a Native Corporation.

## **Part 2 – Case Study: Indigenous Capitalism and Tourism in Southeast Alaska**

*Rather than modeling existing Western schemas for exhibiting “the Other” within a capitalist system, emergent Indigenous tourism models compel the tourism industry to meet them halfway, to adapt to Indigenous standards of representation within an Indigenous economic philosophy. This ideological drift begins with the notion that hosting guests is a deeply Native thing to do. For most Indigenous peoples, especially those in Alaska and New Zealand, hospitality is and has always been serious business, meant to establish key relationships between peoples within and across cultural boundaries. – Bunten (2010, p. 295).*

## **Chapter 4 – Research Questions and Methods**

As discussed at length in Part One, the research for this thesis employed the case study method of social science research. The study focuses on Sealaska Corporation, and Alaska Native corporation based in Southeast Alaska and operating in various capacities around the world. It is important to note that the author is a shareholder of the corporation as well as a former employee. Additionally, a representative of Sealaska, Wade Zammit, is a member of the thesis advisory committee. Though an effort has been made to be impartial in the observation and evaluation of Sealaska, the author is no doubt personally invested in the issues and has a strong desire to see the economic development efforts of the corporation succeed. Ultimately, it was the author's history of involvement with Sealaska Corporation and a desire to contribute to economic development efforts in Native Southeast Alaska that were the impetus for this study.

After initially gaining familiarity with a specific need of Sealaska Corporation (i.e. evaluating tourism as a potential driver of economic development in Southeast Alaska) several potential research methods were considered. Specifically, more traditional methods for the evaluation of business opportunities such as market research and SWOT analysis were identified as potentially fruitful methods (Awe, 2006). However, as the complexity of economic development in the indigenous context became clear, such methods were determined to be inadequate. While there are no doubt more powerful methods for evaluating potential financial performance of an investment, it is clear that in indigenous economic development generally, and in the case of Sealaska specifically profit is only one of several goals that must be considered. In addition to helping identify a suitable method, an initial review of potentially relevant literature identified several possible guiding theories for the research. While more general economic development frameworks may have been suitable for guiding the study, the

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Theory of Indigenous Capitalisms seems by far the most directly applicable to the current study (Bunten, 2011). Furthermore, employing a new and relatively untested framework broadens the potential usefulness of the study by allowing for testing and critique of an emerging theory.

Based on the methodological grounding and guiding theoretical framework that emerged from initial consultation and literature review a study design was selected and protocol developed which are described in more detail in Chapter 3 and Appendix A respectively.

The study was guided by two main research questions (RQs) which taken together reflect the collective intention of the research; the first focuses on the instrumental goal of employing and testing the Theory of Indigenous Capitalisms and the second focuses on Sealaska, tourism and economic development:

### **RQ1 – How has indigeneity influenced Sealaska’s economic development efforts in Southeast Alaska?**

In the context of the Theory of Indigenous Capitalisms this question more specifically seeks to find evidence that supports or refutes the three main propositions. The Theory would predict that Sealaska’s economic development strategy has been influenced by: (1) historical and political relations of incorporation; (2) mitigating value systems; and (3) a dual promise of subsumption and self-determination. Thus, by more broadly examining the influence of ‘Nativeness’, it is possible to determine if these propositions sufficiently describe reality or if other explanations are necessary. Despite its focus on the instrumental objectives of the research, this question also greatly informs study’s intrinsic component. By requiring reflection on the history of Sealaska’s economic development strategy this question helps to reveal how Sealaska understands its commitment to rural communities, what has or has not been worked in the past and what might be tried in the future. Therefore, a second question followed from this initial exploration of Sealaska’s economic development strategy:

**RQ2 – How can Sealaska invest in the tourism industry in order to maximize benefits to Southeast Alaska Native communities?**

This question is intended to lead to concrete recommendations and best practices for Sealaska regarding potential future tourism development. The parameters for what constitutes maximized benefits were determined from a review of the indigenous economic development literature and refined to be more specific to the Sealaska context based on the findings of question 1. Generally speaking, the impacts of potential tourism development that will be considered are economic benefits, cultural considerations and sovereignty considerations. Additional Sealaska-specific considerations include compatibility with subsistence lifestyles, environmental impact, synergies with other operations or investments, compatibility with core values and contribution to messaging efforts. These considerations will be discussed more specifically in Chapter 2.4.

Several data sources were necessary in order to answer these questions. Based on the most general classification – such as that used by Hancock and Algozzine (2011) – two types of data were used: documents and interviews. However, several types of documents were used, and because of the distinctly different purposes they served more specific identification is required. Academic literature was used first and foremost to provide a strong theoretical and methodological foundation for the study. On the other hand, some literature provided very direct insight in to the case, and thus tended to transcend the boundary between context and data. A second type of document used was government and other external reports or evaluations of Sealaska Corporation. Third, newspapers and other media sources were used to gauge outside opinion and reaction to Sealaska’s various efforts. Finally, Sealaska’s annual reports to shareholders served as the primary document-based source for identifying events or actions with the potential to influence rural economic development in Southeast Alaska.

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The annual reports to shareholders proved particularly valuable. The format is minimally restricted by federal reporting requirements, and tends to provide far more information than just the required financial reporting. Rather, each report reads more like a story Sealaska is trying to tell about itself. The reports can of course not be read as the unqualified truth, and it is quite clear that the company tries to paint the best picture possible of the year's activities. However, when read with this understanding both the overall tone and contents of the reports provide a wealth of valuable information. Furthermore, while the unit of analysis for this study is Sealaska's "rural economic development strategy", in reality through most of Sealaska's history there has not been a formalized strategy. The format of the reports provides a concise review of all company activities, and those with the potential to impact economic development in Southeast Alaska can be quickly identified. Twenty-four annual reports were available for review. This subset of reports included the first through the most recent. However, because online access was available for reports from 2000 on, the distribution is not even. Despite this limitation, several reports were available from each decade prior to 2000 and overall provide an adequate representation of Sealaska's history.

Analysis of the annual reports took place in several parts. First, reports were read to identify general themes or trends. Through this process it became apparent that certain characteristics of the annual reports were particularly relevant to rural economic development. Specifically, information regarding benefits to shareholders, the location and size of operations, strategic statements such as corporate philosophy or mission, and discussion of sustainability on Sealaska lands emerged as initial themes. In order to more systematically document these themes specific information was extracted from the annual reports including: major events in Sealaska history (i.e. purchase/ sale of subsidiaries, new investments); revelatory quotes that summarized

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the feeling or tone of the report; explicit mission, vision, philosophy, goals or other guiding text; references to culture, heritage or traditional values; mention of shareholder benefits including employment, education (i.e. scholarships, programs and internships) and direct distributions or dividends; and references to environmental considerations or sustainability. Using this information a timeline was constructed that summarized change over time in the dimensions listed above. The events in the timeline were then considered with reference to other relevant data sources including media and other third-party evaluations of Sealaska's activities, the concepts and literature reviewed in Part One, and specifically the Theory of Indigenous Capitalisms. Finally, interviews with Sealaska directors and managers conducted post-analysis were used to test the validity of findings and revise conclusions as necessary.

Interviews were conducted in-person in Sealaska's Bellevue, Washington office or via phone as necessary. A semi-structured, qualitative interview format was used (Weiss, 1994). Questions were generally drawn from a prepared interview guide (See Appendix B). Detailed note-taking was used to record interview data. Interviewees were selected through consultation with a key informant in Sealaska Corporation. Given the stature of interviewees as directors and managers of a large corporation, care was given to prepare individually for each interview. Biographical information was obtained from Sealaska's website prior to meeting (Sealaska.com), and questions were tailored to the expertise of the interviewee. Following advice from Dexter (1970), interviews were considered 'elite interviews' and special care was given to efficient use of interview time. Furthermore, an effort was made to have sufficient background information to allow for adaptability in the interview format and to most effectively draw out new or important observations. As noted above, the interviews were intended on one hand to evaluate a prior analysis of Sealaska's economic development strategy based on documents and literature.

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However, they were also important in moving towards recommendations for future economic development efforts; specifically tourism. Thus, interview questions also sought to identify current opportunities and challenges for Sealaska with regard to economic development and the subject's perceptions on the potential role of tourism in the Corporation's efforts.

A second phase of analysis followed the interview portion of the data collection process. This phase involved revising and refining the historical examination of Sealaska's development strategy and then transitioned in to a focus on the second primary research question and the intrinsic purpose of this study. This was a holistic process that looked to incorporate: 1) Lessons from Sealaska's historical involvement with economic development efforts; 2) Data on the size and composition of Southeast Alaska tourism industry; 3) Experiences of past tourism development efforts and general recommendations documented in the literature; 4) Theoretical background provided by the Theory of Indigenous Capitalisms and the BLT Model; 5) The current structure and operations of Sealaska Corporation; and 6) The observations and guidance provided by conversations with Sealaska directors and managers. Based on these sources, general recommendations for Sealaska's involvement indigenous tourism were developed. .

## **Chapter 5 – Setting: Land of the Tlingit, Haida and Tsimshian**

For indigenous peoples, the importance of place cannot be overstated. Over generations places are imbued with meaning. Cultural, economic, social and religious systems emerge and evolve in relation to the natural world. Place is also vital to tourism. In the hyper-competitive global tourism market the natural qualities of a destination are vital for attracting and retaining customers. Over time an evolving natural world and its non-human inhabitants become layered in multiple meanings; sometimes ephemeral and sometimes lasting. Culture emerges from, but also reshapes and re-imagines place over time. These human institutions and traditions that arise in a given place may also serve to attract tourists. This is all to say that for the purposes of this thesis the setting is not inconsequential. Indeed, any worthwhile discussion of indigenous capitalism or tourism in Southeast Alaska must be founded upon the human and natural history of the place.

### *Geography and Ecology of Southeast Alaska*

Geographically speaking, the region today known as Southeast Alaska extends north-south from 54° 45' N latitude to 59° 45' N, or from roughly the entrance of Dixon Entrance to Icy Bay near the Malaspina Glacier (See map in Appendix D). To the east it is bounded by the crest of the Coast Range (and Canada) and to the west by the Pacific Ocean (MacDonald & Cook, 1996). Southeast Alaska is located in the Pacific rainforest Biome, and today is largely defined by water. O'Claire, Armstrong and Carstensen provide an evocative and informative description of the region, saying:

The amount and distribution of water is the most logical way to differentiate Southeast's many natural habitats. These range from ocean, lakes, ponds and rivers, to frequently submerged salt marshes and stream flood zones, to perennially saturated muskegs and other freshwater wetlands, to the usually drenched rainforest and Alpine

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tundra. After a rare two-week drought, it's sometimes possible to sit in the forest understory without soaking our pants. But then the rains resume (1992, p. 17) .

The region's glacial history has left it a fragmented mosaic of islands, fjords, valleys and mountains. Known as the Alexander Archipelago, this deeply indented collection of island and fjords possess nearly 16,000km of shoreline (MacDonald & Cook, 1996). From an aesthetic perspective the close proximity, diversity and sheer magnitude of water, shoreline, mountains, glaciers, meadows and forests is unmatched (Kirk & Mauzy, 1996). By area, open water and dense forest dominate the region, but this has not always been the case.

One could start telling the story of Southeast Alaska from many points in history. For the Native peoples of the region their history extends back to time immemorial. For understanding the natural and human history of Southeast today, about 20,000 years ago is a good place to start. At this point during the Pleistocene much of the region was under miles of ice associated with the Wisconsin glaciation, but a shift in the global climate set in motion a massive glacial retreat (Barclay, Wiles, & Calkin, 2009). As the glaciers began to recede the region emerged as an inhospitable and barren landscape of bedrock and glacial till (O'Claire et al., 1992). However, these conditions did not persist long as new life rapidly colonized the area. Between the coastal shores and alpine tree-line, the vast majority of the area has since this period undergone a process of succession that culminates in hemlock-spruce old growth forest (Harris et al., 1975). In Glacier Bay, where remnant glaciers continue to recede, the succession process can be seen over space rather than time. At the head of the bay glacial till and outwash sits bare at the toe of the glacier, but by the head of the bay old growth forest dominates (Kirk & Mauzy, 1996).

Generally speaking, the flora and fauna of Southeast Alaska are characteristic of the Pacific rainforest biome. It is beyond the scope of this overview to go in to great detail regarding the individual species and they have been extensively catalogued elsewhere (See, for example

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Kirk & Mauzy, 1996; MacDonald & Cook, 1996; O'Claire et al., 1992). What today primarily distinguishes Southeast Alaska from other areas of the Pacific rainforest is its relatively small human population. While the area as a whole is by no means as pristine as many may imagine, because of the limited scale of human alteration, the region possesses higher densities of old growth forest and many large, charismatic fauna such as bears, moose, deer, wolves, whales, seals and otters (MacDonald & Cook, 1996). Aside from being relatively undisturbed compared to its southern neighbors, Southeast Alaska's location at the northern edge of the Pacific rainforest biome also distinguishes the region. Overall the region is home to fewer species than the southern areas of the biome; the most obvious absences being common trees such as Douglas fir and the resulting spruce-hemlock dominated forest (Kirk & Mauzy, 1996). Aside from these major tree species one group of organisms has shaped the biological, cultural and economic landscape of the region more than any other; the Pacific salmon (*oncorhynchus* spp.).

In transitioning from a discussion of natural history to one of human history in Southeast Alaska, salmon serve as an ideal bridge. For at least the past few thousand years salmon have served as a vital link between ocean and land; human and environment (Arnold, 2008). Based on recent studies of colonization in recently emerged streams in Glacier Bay it is clear that salmon are capable of rapidly locating and exploiting new habitats (Quinn, 2011). While much of the modern range of Pacific salmon was covered by miles of ice during the last ice age, the genus has survived in the Pacific for millions of years; presumably shifting north and south as climate dictates. Thus, there is little reason to believe that salmon would not have been present in Southeast Alaska right behind the receding glaciers. By the time people started bothering to keep track, the runs of salmon in the region's streams and rivers could in good years exceed 100 million fish (Arnold, 2008). Salmon, as anadromous fish, are born in freshwater, migrate to sea

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to take advantage of the rapid growth opportunities by oceanic feeding, and return to their natal streams where they spawn and die (Quinn, 2011). Despite significant mortality, and because of the growth achieved in just a few short years at sea, the mass of fish that enters the stream as adults far outweighs that of the outmigrating juveniles. Furthermore, Pacific salmon are semelparous, generally spawning only once in a lifetime, and thus fish that return to a stream are destined to die there. The net impact of these two facts is that salmon deposit a massive quantity of marine-derived nutrients in to inland waters (Hocking, 2005). While the flow of water tends to carry nutrients out of terrestrial systems, salmon effectively return some of the lost nutrients. Dispersion of their carcasses by predators and scavengers spreads these nutrients in to terrestrial ecosystems in addition to aquatic systems (Quinn, 2011). Because of this unique connection, the Pacific coastal rainforest has occasionally been referred to as the “salmon forest” (Hocking, 2005). Salmon, however, do not only provide nutrients to the natural world. The vast majority of Southeast Alaska’s human history has been based on the abundance of salmon in the region.

### *Traditional Social, Economic and Political Organization*

The history of the Native peoples of Southeast Alaska is long and complex. While it is beyond the scope of this thesis to examine this history in great detail (See Emmons, 2002 for rich description of the Tlingit shortly after contact) there are components of the culture that continue to shape the region today. A basic grasp of Southeast Alaska Native history is necessary in order to understand some of the limitations and opportunities faced by Sealaska Corporation and the communities of the region. This history begins a very long time ago. The precise origin and date of arrival of the first humans in Southeast Alaska remains unclear. It is thought that humans were in the region at least 10,000 years ago, but no link has been established between

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DNA extracted from ancient remains found in a local cave and modern day Tlingit, Haida or Tsimshian (Dalton, 2005). Sparse evidence, logic and traditional stories tend to agree that the ancestors of Southeast Alaska Natives moved north across the region as glaciers retreated exposing new coastal lands (Dauenhauer & Dauenhauer, 1994). By around 3,000 years ago it is thought that the cultures of the Tlingit, Haida and Tsimshian were essentially established in the region (Schurr et al., 2012).

At this point it is necessary to briefly jump ahead in order to understand the specific tribes that are discussed herein. The map lines that demarcate Southeast Alaska are largely arbitrary and as a result several Native groups have historically and continue to exist in the region. Measured by traditional territory and population size the Tlingit tribe dominates the region (See map in Appendix D). The traditional lands and population centers of the Haida and Tsimshian are in modern day Canada, but extend across the international border. Thus, when indigenous land claims were being negotiated in Alaska during the 1960s the three tribes were grouped together and today members of these three tribes (as of 1971) and their descendents collectively own Sealaska Corporation (Mitchell, 2001).

All this means that to provide a complete discussion of pre-contact society in Southeast Alaska requires addressing three related, but distinct cultures. Such an effort would be extreme for the purposes of this thesis, and therefore this section will refer primarily to the Tlingit tribe. The Tlingit were chosen because of their geographical dominance in the region, the author's familiarity with the tribe (and tribal enrollment), and the relative abundance of literature compared to the other groups. This choice is not intended to reduce the importance of the Haida and Tsimshian people and culture to the region, Sealaska Corporation or economic and tourism development.

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Returning to the period between the emergence of Tlingit culture 3,000 years ago and first recorded contact with Europeans in the 1740s, the Tlingit people occupied the coastal rainforest of modern day Southeast Alaska. Tlingit society was highly advanced by North American standards during this period, a fact that is largely attributed to abundant and predictable coastal resources (Arnold, 2008). The traditional economy of the Tlingit was based heavily on the bounty of the ocean, though inland hunting, trapping and gathering were also practiced. The abundance provided by the ocean allowed for relatively dense populations and permanent settlements uncommon among other non-agricultural peoples (Emmons, 2002). Salmon sat at the epicenter of the traditional Tlingit economy; however, their importance extended beyond purely economic considerations. Arnold explains that:

Salmon were the backbone of Tlingit culture. In practical terms, the predictability and abundance of salmon runs, combined with native technologies for catching and preserving salmon, sustained dense coastal populations long before European contact. Salmon also provided the surplus that allowed for economic specialization, social stratification, and cultural elaboration... However, fishing was far more than the material process of transforming animals into calories for human consumption. It was, in anthropological terms, a “lifeway”, a comprehensive system of production, distribution, and exchange that operated within a web of social relationships and cultural values (2004, p. 158).

Harvest of salmon and other living resources was also deeply integrated with the spiritual beliefs of the Tlingit. Animals were understood to possess spirits and belong to clans. As such, great care was taken in all human interaction with animals including harvest and processing in order to avoid disrespecting an animal spirit and angering its clan which could lead to future famine (Emmons, 2002).

In addition to specialization and social stratification, the surplus provided by salmon and other coastal resources also allowed for extensive trading among the Tlingit and with neighboring tribes (Emmons, 2002). The Tlingit were bordered by several other groups including Haida and Tsimshian to the south, Athabaskan to the east and Eyak to the north. The various

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groups interacted both peaceably – through trade and intermarriage – and in war such that territorial boundaries were often shifting and a significant amount of cultural and biological mixing occurred at the fringes (Schurr et al., 2012). Even in the heart of Tlingit country there was significant variability in language and culture. Regional variability overlay an already complicated system of human interaction. To the casual observer, the traditional social, political and economic organization of the Tlingit appears prohibitively complex (Dauenhauer & Dauenhauer, 1994). A good deal of this complexity stems from an overlapping series of divisions in the traditional Tlingit system and a tendency on the part of English speakers to confuse them (Hope & Thornton, 2000). A basic understanding of Tlingit social organization and values can be developed by disambiguating and clarifying these social distinctions.

Perhaps the most apparent, but least culturally important distinction is that of the tribe or *kwáan*<sup>4</sup>. *Kwáan* is used to describe the people living in a given place in Tlingit country and historically sixteen or seventeen were recognized when documented in the 1800s. These were essentially groupings of convenience or necessity based on practical, economic or security considerations (Emmons, 2002). Dauenhauer and Dauenhauer explain that *kwáan* “is the equivalent of *-ites*, *-ers*, and *-ns* in such English designations as Juneauites, New Yorkers, and Californians” (1994, p. 5). This seems an apt comparison because states, much like these regional groupings of Tlingit, contain diverse, random populations.

The second level of distinction is that of the moiety. The moiety is the coarsest level of social distinction for the Tlingit and each member of society is born a either a raven or wolf (today eagle is often used in place of wolf) (Schurr et al., 2012). These groupings have no political purpose or organization, but rather are primarily marriage groups. At birth, one takes on

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<sup>4</sup> Tribe is no longer the preferred term because it causes confusion with the more common use of tribe, i.e. Tlingit tribe.

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the moiety of one's mother, and may only marry a member of the opposite moiety (Dauenhauer & Dauenhauer, 1994). Each moiety is composed of many clans.

The clan is perhaps the most important of the four primary distinctions in Tlingit culture.

Emmons explains:

The tribe is but an accidental geographical grouping of independent clans, without power or authority of its own. The phratry [moiety] is an imaginary relationship from a distant past whose only function is to regulate marriage, but the clan is the active principle of life, the law, and the religion of the Tlingit... Each clan being an absolutely independent body is a unit in itself and regulates its own internal affairs (2002, p. 23).

Thus, the clan was the largest political body in traditional Tlingit society. In addition, clans claimed ownership of general territories and intellectual property such as art (e.g. clan crests) and stories (Dauenhauer & Dauenhauer, 1994). The clan-level sociopolitical system, generally speaking, consisted of two or three classes; an aristocracy, common people and slaves; slaves may or may not be considered a separate class. Slavery was widespread and well established in the Pacific Northwest and for the Tlingit most were purchased from the Haida or captured in battle (Emmons, 2002). Apart from slaves, social class was largely tied to the fourth distinction in Tlingit society; the house or lineage. A clan is made up of many households, each with its own internal structure and recognized leader. Households held long term rights to specific hunting and fishing areas within the clan territory. Certain prominent households comprised an aristocratic class and a clan level leader was also recognized from one of these households (Dauenhauer & Dauenhauer, 1994). The position of clan leader was hereditary, but the power of this individual was largely limited by the consent of the people. Furthermore, the authority of the clan leader did not extend across *kwáan*, and thus geographically distant groups of the same clan did not share a leader (Emmons, 2002).

Even if the particulars remain somewhat unclear, there are several important points to be taken away from this brief discussion of traditional Tlingit society. First, the Tlingit were highly

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advanced and possessed sophisticated technologies and social structures for sustaining dense populations while producing a rich physical culture and oral traditions. Second, the Tlingit showed strong loyalty both to the family and the clan while also respecting the separate and reciprocal relationship between the two moieties. Third, the Tlingit recognized varying levels of personal, family and clan ownership of physical objects, territories and intellectual property. Fourth, the Tlingit had an intimate relationship with the natural world that was both practical and spiritual. And finally, the Tlingit lived in a stratified society; however there was no centralized government. Status, though tied to lineage, was not guaranteed and leadership was ultimately dependent on the consent of the people. The arrival of Europeans and subsequent centuries of colonization has no doubt impacted all components of Tlingit society. However, against the odds many of the values and traditions of this earlier time have persisted. Understanding how these values are manifest today in Sealaska Corporation requires a brief review of important changes that have taken place since contact with Europeans.

### *Cultural Change and Persistence: 1741-1960*

Many changes in Alaska Native society worthy of mention have occurred over the centuries since the arrival of Europeans in the region. Populations have been decimated by disease, war and intermarriage. Cultural practices have been altered or lost both as an incidental result of interaction with outsiders and due to directed efforts on the part of colonizers. The traditional economy of subsistence and trade has been largely replaced by one of cash and labor (and frequently, unemployment and welfare) (Dombrowski, 2001).

The first recorded contact between Europeans and the Tlingit occurred in 1741 when Alexi Chirikov, a Russian trader and explorer, sent men ashore to retrieve water from a

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Southeast Alaska Native settlement; the men never returned to the ship. Over the next 60 years other Russians occasionally interacted with Tlingit through the fur trade, but no settlements were established in Southeast Alaska until 1796 (Dauenhauer & Dauenhauer, 1994). Despite an increasing Russian presence in the region throughout the first half of the 19<sup>th</sup> century, Southeast Alaska remained mostly under Tlingit control and the traditional, salmon based economy persisted, albeit with the addition of new technologies (Arnold, 2004). Furthermore, Dauenhauer and Dauenhauer argue that “For the most part, the traditional Tlingit social system remained intact, and the Tlingit were not disturbed in the traditional use of the land and its resources... There is no evidence of any campaign during the Russian period against Tlingit language, culture or sense of personhood” (1994, p. 35). The most significant changes during this period were on Tlingit population and demographics as smallpox and war took their toll.

The Russian sale of Alaska to the United States in 1867 marked the beginning of the relationship between the Federal Government and the tribes of Southeast Alaska and also a massive change in the relationship between Natives and whites. The injustices and negative impacts on Native culture that took place during this period are many, and have been thoroughly documented elsewhere (Dauenhauer & Dauenhauer, 1987, 1994; Hinckley, 1996). The story is one of colonial dominance and cultural suppression, and also of increasing dependency. Arnold provides an apt general summary, saying:

According to the standard narratives of Indian History, in the late nineteenth century, Native Americans in the West became the unwitting victims of American progress, as the twin engines of westward expansion and industrial development forced Indian peoples from their traditional lifeways and relegated them to the margins of U.S. society. Unable or unwilling to assimilate, Indian communities became pockets of abject poverty, underdevelopment, dependence, and isolation as Indian land was incorporated into the system of global capitalism, providing the growing nation with abundant land and resources for industrial exploitation while Indians themselves remained at the margins of these economic developments (2004, pp. 162–163).

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In Southeast Alaska the industries responsible for driving change were gold mining, timber and salmon canning. Not surprisingly, given the importance of salmon to the economic, social and spiritual lives of the Tlingit, much of the ensuing change and conflict revolved around fisheries resources. During the 1880s as salmon canneries proliferated in the region. Having thus far been denied citizenship, Native peoples had no legal claim to salmon streams. Then, in 1907 the establishment of the Tongass National Forest formally stripped Natives of remaining lands. Accompanying industrial expansion were settlers, an increasing U.S. military presence and missionaries. Collectively, these forces had devastating impacts on Native culture in the decades following the American purchase of Alaska. In addition to the narrative of marginalization, domination and dependency described above, there was a concerted effort on the part of educators and missionaries to eradicate Native culture, language and religion. Again, the specific impacts of these efforts have been well documented elsewhere (Dauenhauer & Dauenhauer, 1994).

Needless to say, the collective results of these many changes have persisted for generations. Language and traditions were badly eroded, with the loss of lands and resources economic opportunity became tied to a globalized capitalist system and persistent racism limited political power. Native life today is in many ways defined by the legacy of this era and the challenge of recovering economically and socially, while remembering and revitalizing culturally. However, what should not be lost in this story is the ability of Southeast Alaska's Native peoples to adapt and survive in a changing world. While losses of culture, wealth and power were significant, the fact that there remains anything on which to build and revitalize is rather amazing. In particular, engagement with commercial salmon canning provides an example of early indigenous capitalism as Natives were able to remain active in the important cultural

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activity of fishing while also adapting to a changing economy. Arnold argues that “The case of the Tlingits in the commercial salmon fisheries provides just one example of Indian peoples engaging in market capitalism while maintaining and renegotiating distinctive cultural identities” (2004, p. 163). Indeed, the income generated by fishing and processing for canneries supplemented continued subsistence practices while also allowing Native peoples to combine profitability in the cash economy with culturally important activities. This historical observation is important for several reasons. It foreshadows the struggle that Sealaska Corporation has faced since its incorporation in finding investments that, like fishing, draw on cultural strengths while meeting the requirement of profitability. It also demonstrates the long history and deep integration of Southeast Alaska Natives with the capitalist system and that participation in that system does not necessarily preclude retaining cultural identity.

Unfortunately, the story of decline in Southeast Alaska Native culture and communities does not end here. While fishing offered a culturally relevant avenue for Natives in Southeast Alaska to engage with the capitalist system, it also tied their prosperity to that system. Furthermore, subsistence remained an important part of Native life, but in addition to being forced off of traditional lands, where they could hunt and fish Natives had to compete with industrial interests for increasingly limited resources (Arnold, 2008). When the region’s prolific salmon runs inevitably began to decline and the demand for canned salmon waned, a new kind of poverty was introduced to Native communities. The salmon resource so important to Tlingit life had been monopolized and overexploited by outside interests. When canneries began shutting down both cash and fish became scarce (Arnold, 2004). Most remnants of cultural or personal self esteem derived from fishing and its cultural associations were extinguished by 1959 when Alaska was made a state. It was also at this time that some of the most insidious and persistent

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challenges to village life emerged (Dombrowski, 2001). Alcoholism and its associated problems including domestic (and other) violence, accidental death and suicide are not unique to Native peoples. It has been suggested (though not proven) that Native peoples are more susceptible to alcohol, and this factor may contribute to the severity of the problem among Native populations. However, many northern communities, Native and non-native alike struggle with higher rates of these social ills (Roderick, 2010). The traumatic legacy of colonialism and the loss of important cultural practices also are thought to contribute to the prevalence of alcoholism in Native communities.

By the 1950s heavy drinking was the norm in Southeast Alaska; especially among fishermen. As the fishing jobs dried up over several decades these factors conspired to create a vicious cycle of alcoholism and violence in Native communities that has persisted, on and off, until today (Dombrowski, 2001). Dombrowski explains “In the past, drinking and the destruction it caused had been accepted (if not entirely approved of) in part because it remained within certain boundaries – boundaries provided by the pattern of work itself [fishing] (2001, p. 165). The loss of employment, combined with reduced subsistence opportunities, eroding culture and bleak prospects only served to plunge Native communities deeper in to poverty and turmoil. Migration to urban areas in search of economic opportunity or to escape alcoholism and domestic violence further undermined the viability of Native communities. Thus, the later part of the 20<sup>th</sup> century represented a new low point for Native people in Southeast Alaska. Statehood in 1959 did not immediately change the condition of Alaska Natives, but it represented an important first step in the struggle by Alaska Natives to assert rights to their traditional lands, and secure new the means to begin revitalizing both culture and communities. The continuing process of recovery and revitalization, for better or for worse, is intimately tied to the Alaska

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Native Claims Settlement Act (ANCSA) and Sealaska Corporation which are introduced in the following chapter.

## **Chapter 6 –Sealaska’s Economic Development Strategy over Time**

The Alaska Native Claims Settlement Act of 1971 was the culmination of decades of struggle by Alaska’s Native peoples to have their rights to land formally recognized (Mitchell, 2001). The Act was intended not only to settle land claims, but also to provide Alaska Natives with the means to achieve prosperity on their own terms. Given 40 years of hindsight the success of ANCSA remains unclear. Alaska Natives still face many very real economic and social challenges, and ANCSA has introduced new complexity to village life (Roderick, 2010). Indeed, many have criticized the legislation, calling it assimilationist, ineffective, destabilizing or attributing new divisions in Native communities to its passage (Anders, 1985; Dombrowski, 2001, 2002; Flanders, 1989). No doubt ANCSA is an imperfect solution to a challenging situation. The union of Native governance and the corporate form has created a complex and sometimes frustrating situation (Hirschfield, 1991). Others remain optimistic that ANCSA has provided a strong foundation on which to build, and that as the original champions of the legislation pass on, the next generation of Alaska Natives will ultimately determine the success or failure of the Act (Personal communication, Sealaska Director, April 29, 2013).

The goal of this thesis is not to evaluate the relative merits of ANCSA and alternative arrangements, or to judge the long term effectiveness of the legislation. Rather, the ongoing debate regarding ANCSA is briefly introduced here to emphasize the fact that Sealaska’s economic development efforts, and indeed all its actions take place under a system that is contested and continues to evolve. The purpose of this section is only to introduce Sealaska’s origins and the legal and political reality in which it operates today; not to suggest that this reality cannot or should not change in the future.

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### *The Alaska Native Claims Settlement Act and Sealaska Corporation*

At the time, the passage of ANCSA represented a major victory for Alaska Natives. The land and cash settlement – forty-four million acres and \$962.5 million respectively – far exceeded any compensation received by Natives in the lower 48 and seemed to offer Alaska’s Native peoples an opportunity for self-determined economic development (Mitchell, 2001). The true origins of ANCSA may be drawn back to the purchase of Alaska by the United States in 1867 and the ensuing uncertainty surrounding the legal status of Alaska Natives (Anders, 1989).

However, it was Alaska’s statehood in 1959 that started a chain reaction of events that would push the longtime grievances of Alaska’s Native peoples to the forefront of national politics (Mitchell, 2001). For Alaska, statehood meant securing of sufficient revenue to support the fledgling state government. Anticipating this challenge, the Federal government had granted the State of Alaska significant control over many of the area’s richest oil and mineral reserves (Flanders, 1989). Thus, the state was highly motivated to begin producing revenue from its natural resources as soon as possible. As oil development efforts ramped up on the North Slope, the necessity of transporting oil across the vast state finally created a situation in which Native claims could no longer be ignored (Anders, 1989). A pipeline would have to transect many Native lands, and increasingly vocal Native groups made it clear that this would be a litigious process. In addition to the State’s need for revenue, oil companies eager to begin profiting from the state’s vast resources supported rapid resolution to unresolved Native land claims. It was in this context that the Alaska Federation of Natives (AFN) emerged as a champion of Native land claims (McBeath & Morehouse, 1980).

By the late 1960s a new generation of Alaska Natives was coming of age. The often college educated young leaders were becoming increasingly adept at navigating the treacherous

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waters of Federal Indian policy. Prior to the emergence of the AFN, large scale organization of Alaska Natives was not wholly unprecedented. The Alaska Native Brotherhood, a once powerful force for Native labor in the Southeast Alaska fishing industry, had attempted to garner larger influence among the State's many Native groups, but ultimately achieved only modest success outside of Southeast (McBeath & Morehouse, 1980). Thus, at the time the AFN was by far the most significant pan-Native organization in Alaska to date. While a great deal of the motivation for Congress to take action came from oil industry pressure, the AFN was the primary Native group ensuring that any settlement was acceptable to Alaska Natives (Flanders, 1989). Bargaining from a position of unusual strength for Native Americans, the AFN played a significant role in structuring the legislation that would become ANCSA, and the vision that the group brought to the table was unprecedented in Indian affairs. Anders explains that:

Most Alaska Native leaders understood that previous federal policies had broken up Indian land holdings, factionalized tribal memberships, and in some instances terminated the relationship between tribal groups and the federal government. Given this, they believed that corporations would provide a more effective buffer from the capriciousness of the federal government (1989, p. 288).

After several years of legislative negotiations, a modified version of the system of corporations initially envisioned by the AFN became reality as the Alaska Native Claims Settlement Act (ANCSA) was signed in to law on December 18<sup>th</sup>, 1971.

ANCSA created a complex, nested network of for-profit village and regional corporations. Each received land selections and monetary compensation in exchange for the extinguishment of aboriginal title to most of Alaska (Mitchell, 2001). Sealaska Corporation is one of twelve regional Alaska Native corporations formed under ANCSA and is associated with eleven village corporations located in Southeast Alaska. Sealaska owns subsurface rights to village corporation lands, but also pays a portion of profits to those same corporations (Sealaska

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Corporation, 1974). Furthermore, under ANCSA regional corporations are required to pay 70% of profits from natural resource development to a collective fund that is distributed amongst the regional corporations (Anders, 1989). The original shareholders of Sealaska were individuals of at least one-fourth Tlingit, Haida or Tsimshian descent born before December 18, 1971, but stock sale to any party was supposed to be permitted in 1991 (Sealaska Corporation, 1991).

ANCSA has been amended several times, and the shareholders of each corporation now have the power to determine who may hold stock. Sealaska shareholders have subsequently voted to allow for the enrollment of descendants and those Natives who were entitled to, but did not initially receive stock. Sealaska has also upheld the prohibition on sale of stock, and the only shares remain those held by Tlingit, Haida, Tsimshian and their descendants (Sealaska Corporation, 2009). Sealaska has always had the largest number of shareholders among the twelve regional corporations and today, with the addition of descendants and others, over 20,000 individuals own Sealaska stock. At the same time, given the unique geography, economy and history of Southeast Alaska, Sealaska has always had the smallest land base of the twelve corporations (Anders, 1989; Sealaska Corporation, 2009). Legislation that would finalize Sealaska's allotments under ANCSA is currently pending in Congress, but even with the addition of this forthcoming land Sealaska's holdings will remain the smallest among its peers (Sealaska Corporation, 2013a). However, the value of Sealaska's land is rather high compared to most other regions; at present mainly because of its rich timber resources (Dombrowski, 2002). This fact has been particularly influential in the history of the corporation and its impact on economic development in Southeast Alaska.

The system that has emerged from ANCSA is complex and dynamic. Only a brief summary has been given here, but the information from above should provide a basic

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understanding of where Sealaska Corporation comes from and some of the important commitments and limitations that must be considered when analyzing the company's activities. The remainder of this chapter focuses on the history of Sealaska Corporation and its involvement with economic development in the Native villages of Southeast Alaska. First, a timeline of specific activities and statements made by the corporation is presented, in text and tabular format. Subsequently, the timeline is considered more generally in order to extract themes, observations of change over time and ultimately a better understanding of how Sealaska understands and addresses its commitment to rural Native villages today.

It should be noted that Sealaska is one of many entities that takes an interest in Native economic development in Southeast Alaska. Federal, state and local governments; non profits; village ANCSA corporations; and other tribal entities including the Tlingit and Haida Housing and Power Authorities all promote economic development in the region through a variety of means. Each of these entities takes a different approach to economic development, and each plays a role in ultimately achieving the general goal of creating sustainable, independent economies in Southeast Alaska's community. It is beyond the scope of this thesis to consider the full spectrum of economic development activities that take place in Southeast Alaska Native communities. However, it is important to note that there have been significant efforts over time and that despite these efforts many development goals remain unfulfilled. This fact speaks to the massive challenges that the region's businesses and communities face. It is in this context of great development effort and minimal success that Sealaska's past actions and future options must be considered.

*Sealaska Corporation and Economic Development*

Through a review of Sealaska's annual reports to shareholders it became clear that for most of the company's history an explicit strategy for economic in Southeast Alaska's native villages has not existed. Rather, the efforts that influenced economic development were largely passive and disparate. As explained in the 2009 annual report to shareholders, "Historically, [Sealaska] invested in local economies through timber harvesting and its related industries" (Sealaska Corporation, 2010, p. 4). Direct payments to village corporations constitute a second formal economic influence of Sealaska in the region's communities. Despite the absence of a true strategy, the annual reports document a variety of activities and initiatives that clearly relate to the goals of indigenous economic development. Specifically, shareholder benefits including cash payments (dividends), education support (scholarships, special programs and internships) and employment opportunities; environmental and sustainability efforts on Sealaska lands; and cultural projects and programs were identified as potential influences on Native communities in Southeast Alaska.

These actions are for the most part beyond what would be expected from an average (non-native) corporation, and taken together these can be understood as a "mitigating value system" as described by Bunten (2011) in the Theory of Indigenous Capitalisms. It is through this value system that Sealaska's role in regional economic development can be understood. In order to quantify the growth and evolution of Sealaska's value system, references to the different components were counted in the available annual reports; Figure 11 displays the results of this process. It is clear from this simple analysis that there has been an increasing emphasis on values in the story that Sealaska tells about itself in each new annual report. This analysis also helped to support the recognition of several distinct eras in Sealaska's history which emerged from the

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review of the annual reports and conversations with directors and managers. These eras are largely defined by the evolution of this mitigating value system, and ultimately reflect how Sealaska's leaders understand the role of the company beyond profitability. The identified eras are briefly described below and each is accompanied by a timeline (Tables 3-6) that includes important events, corporate mission or philosophy and highly relevant quotes extracted from the annual reports for the given era.

### 1: 1971-1979 – Learning to use the “New Harpoon”

The passage of the Alaska Native Claims Settlement Act represented ostensible victory after a decades long struggle for the recognition of indigenous land rights in Alaska. The land and cash settlement offered a new future for Alaska natives. In one often quoted example an Inupiat leader referred to the corporate structure of ANCSA as a “new harpoon”, alluding to the fact that ANCSA was expected to provide for the needs of Alaska Natives in to the future (Huhndorf & Huhndorf, 2011). Fulfilling these expectations would not be easy. While in the short term the cash settlement funded the establishment of village and regional Native corporations, long term profitability would be required to achieve lasting benefits and ensure native control of ANCSA lands. During the early years Sealaska's annual reports reflect a strong focus on the corporation's ability to participate in the business world. There are few mentions of shareholder benefits, and reference to Native culture is nearly non-existent. The company's first guiding text (presented in 1974 on the timeline in Table 3) in some ways evokes ideas of both native cultural and environmental sustainability, but these ideas are far from explicit. Rather, a quote from the Board of Directors letter to shareholders in 1978 (see Table 3) more appropriately summarizes the tone of the early annual reports: a focus on being businesslike. In essence, this era seems defined by Sealaska making the argument that it is a legitimate business capable of

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operating successfully in the world of Western capitalism (See Table 3 and; Sealaska Corporation, 1974, 1978, 1979).

### 2: 1980-1997 – Two Paths, One Destination

At the beginning of this era Sealaska strongly identified itself with its natural resource businesses; timber and fisheries. The company had successfully navigated many of the challenges associated with the startup of the corporation. Despite this, a series of circumstances that transpired in the early 1980s – primarily a botulism scare that led to the recall of all of Ocean Beauty's (a subsidiary of Sealaska) product for 1980 and 1981 – found the company on unstable financial footing (Mancini, 2002). A turnover of personnel in 1982 and a rebound in fisheries and timber led to recovery and growth through the remainder of the era. Thus, despite early challenges, taken as a whole this period was one of growth based primarily on local enterprise and natural resources. The strength of local, natural resource based industry created significant shareholder employment, and also relatively high cash dividends. For many in the region, this era was one of relative prosperity (Personal communication, Sealaska Director, April 29, 2013).

With regard to mitigating values, a notable activity was the short lived Sealaska Business Investment Corporation that served to provide financing for shareholder-owned businesses. However, this subsidiary ceased operation by the end of 1983. A more lasting impact was created by the 1980 founding of the Sealaska Heritage Foundation (later changed to Sealaska Heritage Institute, SHI), a non-profit wing of the company dedicated to cultural preservation and shareholder education. The emergence of SHI represented a cultural focus not apparent in the formative years of the company. Celebration, a native cultural festival hosted by SHI was first held in 1982, and the now biennial celebration has continued to grow in popularity and

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attendance. While SHI and Celebration represented a new cultural focus, early in the era (1980s) there also appears to have been efforts to keep cultural considerations somewhat separate from business operations. This is likely associated with the ongoing need to build legitimacy as a business. Later in the era the evolution of the corporate philosophy and mission reflect at least an attempt to increasingly incorporate Native culture in to the structure and operations of the company. Notwithstanding these efforts Sealaska appears to have taken ‘two paths’ during this period insofar as mitigating values were largely the purview of SHI, while Sealaska itself maintained a focus on profit.

Throughout this period in which prosperity was largely based on high rates of timber harvest, the land use practices of the corporation drew increasing criticism from environmental groups and some village residents (Dombrowski, 2001). The 1987 amendments to ANCSA allowed for Alaska Native corporations to deduct net operating losses (NOLs) from taxable income, and also to sell these NOLs to other corporations. Because much of the region’s timberlands had been overvalued at the passage of ANCSA, by rapidly harvesting timber Sealaska and the region’s village corporations could realize massive virtual losses which in turn could be sold for cash to other, more profitable corporations (United States Government Accountability Office, 2012). High rates of harvest were thus made economically prudent. The harvest boom associated with the sale of NOLs led to significant short term profit, but also outpaced re-growth and undermined local subsistence practices (Dombrowski, 2001). Sealaska management was not blind to the tradeoffs, but immediate gains to be had by harvesting and the obvious need of local communities for employment and cash tended to outweigh longer-term sustainability considerations (Personal communication, Sealaska Director, April 29, 2013). Despite the significant revenue generated by timer harvest, many shareholders continued to see

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only minimal benefit. Thus, the period closed on a reflective note with the understanding that despite 25 years of ANCSA supported economic activity and development efforts, Native villages still suffered from significant economic and social challenges (Sealaska Corporation, 1998). (See Table 4 and; Sealaska Corporation, 1984, 1986, 1987, 1991, 1994, 1997, 1998)

### 3: 1998-2006 – Growing up and Spreading Out

The late 90s and early 2000s were characterized by a significant expansion of the scope of Sealaska's operations and investments. By the close of 2006 Sealaska was doing business around the globe; selling timber to Asian markets, molding plastics in Mexico and installing radiation detection equipment in ports from Malaysia to Kazakhstan. However, much like the previous era the early years were marked by financial challenges. Many new industries within and beyond Southeast Alaska were experimented with, though not all proved successful (Mancini, 2002). New government contracting provisions intended to support Alaska Native corporations contributed to Sealaska's entry in to several service markets including IT, construction and environmental remediation. Diversification and growth outside of Alaska was intended to increase profitability and provide a buffer to the boom and bust cycles of Alaska's economy (Personal communication, Sealaska Director, April 29, 2013). Despite Sealaska's entry in to new industries, timber production continued to provide the foundation of Sealaska's economic strength. Unsustainable harvest rates persisted in to this era, largely in order to avoid the negative consequences that reduced harvest would have on the region (Personal communication, Sealaska Manager, May 1, 2013). The profit sharing provisions of ANCSA also created additional pressure for high harvest rates because Sealaska's timber revenues had always been an important contributor to the profit sharing pool.

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The cultural focus that had largely emerged with the founding of SHI, and by the early 90s had begun to manifest itself in the corporate mission and goals of Sealaska continued to blossom during this era. Direct references to Native values and tradition, cultural imagery and Native language became increasingly prevalent in the annual reports by the latter part of the period (see Figure 11). SHI continued to grow during this era and attendance at Celebration swelled. The cultural programs undertaken by the institute were contributing to a new era of interest in Native traditions and values (Worl, 2008). SHI also continued to grow its scholarship and education programs. While SHI remained an important component of the corporation, the ostensible boundary that had separated culture from Sealaska's business operations in the previous era appears to have broken down by the beginning of the new millennium. However, while it was relatively easy to evoke images of a culturally founded business in the annual reports, in practice the company and its leaders struggled with integrating Native values in to the for-profit corporate format (Personal communication, Sealaska Director, April 29, 2013; Personal communication, Sealaska Manager, May 1, 2013).

The end of this era represents another period of transition for Sealaska. By the close of 2005 it became clear that Sealaska's core business – timber harvest – was not sustainable at the levels previously thought. Reduced production negatively impacted rural Southeast economies and undermined one of the significant ways that Sealaska impacted the economies of the region. As timber harvest declined the continued economic depression of Southeast Alaska's Native villages became more acute. Sealaska continued to espouse its commitment to providing economic opportunity for shareholders and communities in the annual reports. However, it was apparent to corporate leadership that without a significant strategic shift Sealaska would be unlikely to achieve sustainable, local development in the future. It was in this context that

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Sealaska began a renewed effort to gain title to remaining ANCSA lands that had yet to be transferred from the government (See Table 5 and; Sealaska Corporation, 2000, 2001, 2002, 2004, 2005, 2006, 2007).

### 4: 2007-2013 – Renewed Focus

In Tlingit *Haa Aaní* means “our land”, and the most recent era in Sealaska’s history represents a renewed focus on the company’s Southeast Alaskan homeland. During this period the Haa Aaní land legislation has taken shape and continues to work its way through Congress. When passed, the finalization of Sealaska’s land claims will provide new lands intended to revitalize Sealaska’s timber operations. However, in addition to these timberlands, the legislation contains provisions for lands intended to support new, sustainable industry in the region and protect valuable cultural resources (Sealaska Corporation, 2013a). Haa Aaní is also a subsidiary of Sealaska formed in 2009 to focus on economic development in rural Southeast Alaska. Haa Aaní LLC. (HAL) continues to take shape under the guiding vision of “Creating Sustainable Communities within Southeast Alaska” (Sealaska Corporation, 2013b). HAL currently works with communities to promote entrepreneurship and provide technical support and financing. Current projects include partnerships in oyster mariculture, seafood processing, renewable energy generation, and aggregate production. Developing projects include an effort to revitalize Native participation in the region’s fisheries an ongoing exploration of the potential of cultural tourism. HAL is structured as a hybrid organization by being paired with the non-profit Haa Aaní Community Development Fund (HACD) which receives grants and loans from governments, individuals and other non-profits. Thus, HAL can provide loans as traditional investment capital which seeks to maximize financial return. However, partnership with HACD allows for traditional philanthropic efforts that build capacity and goodwill in communities, and patient

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capital loans that anticipate lower returns, but provide other community benefits (Sealaska internal documents; Personal communication, Sealaska Manager, May 1, 2013).

Together, the two *Haa Aani* efforts represent a much more organized and focused effort to address economic development in Native Southeast Alaska than Sealaska has previously undertaken. The ultimate impact of these efforts is far from being known, but they provide clear evidence of evolution in Sealaska's relationship with the region. Thus, while it is clear that something is changing, it remains difficult to determine what underlies this change and if, or how Sealaska Corporation as a whole is evolving. Similar to the compartmentalization of cultural considerations under SHI, the existence of HAL suggests a formal recognition of Sealaska's commitment to considerations beyond profit, but maintains separation between mitigating values and overall business operations. Discussion with Sealaska leadership revealed a continued struggle to transcend the current compartmentalized model and move towards more meaningful integration of Native (read mitigating) values in to the overall operation of the corporation (Personal communication, Sealaska Director, April 29, 2013; Personal communication, Sealaska Manager, May 1, 2013).

Fittingly, "values in action" is the theme of the most recent annual report which was released shortly before the completion of this thesis. The report provides examples of how core Native values are represented in Sealaska's operations around the world (Sealaska Corporation, 2013c). However, the report is not intended to be the end of the story, and there remains recognition that putting values in to action is an ongoing process (Personal communication, Sealaska Manager, May 1, 2013). For example, sustainability is identified as an important value. In order to put this value in to action Sealaska has pursued ISO 1400 environmental certification for itself and its subsidiaries. Indeed, a more comprehensive environmental ethic is apparent

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throughout the reports of this era. In past reports environmental stewardship seems to be discussed more as a reaction to attacks on the company's practices. Current efforts however seem more active and innovative. One of the ways in which this is taking place is through an effort to develop a more holistic and integrated perspective and strategy for management of Sealaska's existing and forthcoming lands. This process is in its infancy, but its very existence suggests that indeed the corporation as a whole is changing in ways that may profoundly alter the way in which Sealaska impacts economic development in the Native communities of Southeast Alaska (See Table 6 and; Sealaska Corporation, 2008, 2009, 2010, 2011, 2012a, 2013c).

Table 3. Economic Development Timeline, Era 1: 1971-1979									
Year	1971	1972	1973	1974	1975	1976	1977	1978	1979
Major Events	ANCSA Signed	Founding of Sealaska Corporation		First Annual Report. First board of directors elected.	First year of positive net income.	Purchase of Alaska Brick Company	Sealaska Plaza Office Building Opens	Sealaska experiences greatest losses in the company's short history	First land transfer finalized and Sealaska Timber Corporation is founded. Purchase of Ocean Beauty Seafoods.
Report Available?	N/A	N/A	N/A	Yes	No	No	Yes	Yes	No
Theme									
Important quotes				<p>The rich Alaskan resources available within the selection areas of Sealaska and village corporations present a glittering opportunity to entrepreneurs in Alaska and outside. Some will come to develop and some will come to exploit or to colonize.</p> <p>Sealaska's first charge is to administer shared resources for growth and financial return.</p> <p>Because the hearts and minds of our people are as great a resource as dollars, minerals, crops or goods, we pledge to remain what we started out to be: a corporation with a conscience.</p>			<p>In our forest harvest activities, we will "walk softly through the woods". Sealaska's Board of Directors has made it very clear that the Corporation will develop its own code of conduct pertaining to the management and protection of its forests. Guidelines will be established that relate to preservation of historic and cultural sites, and to the possible impact upon villages and hunting and fishing sites that may border Sealaska's lands.</p>	<p>Payments from ANCSA will stop flowing to Sealaska in the next few years making the immediate task facing us one of developing cash flow from our existing business operations and from the resources being transferred to us so that Sealaska may cover its corporate overhead expense without reducing its capital. This cannot be accomplished overnight. My present goals are to establish efficient cost controls and an effective management team so that Sealaska can deal with its problems and opportunities in a businesslike manner.</p>	
Mission, Vision, Goals or Similar				<p>We stand for vigilance and watchfulness. For the joining of our yesterdays with the new history of our tomorrow. We stand for the new which was born of the old, which we will keep as the child wears the mark of the parent. We stand for strength and bright spirit, for need of the earth and longing for the sky. We stand for common purpose and mutual concern. We stand together.</p>					

Table 4. Economic Development Timeline, Era 2: 1980-1997										
Year	1980	1981	1983	1985	1986	1987	1989	1991	1992	
Major Events	Sealaska Heritage Foundation founded	Intern and scholarship programs are launched	First environmental policy for land use and resource development is introduced		Naa Kahidi Theater begins performing	Shareholder Permanent fund established	Ocean Beauty Seafoods is Sold	Native ownership of Sealaska is retained indefinitely. Elder's settlement trust makes first benefit payments.		
Annual Report Reviewed?	No	No	Yes	Yes	Yes	No	No	Yes	No	
Theme				A growing tradition				Committed to a secure, growing future		
Important quotes				<p>We own two lands: one land nurtured for the tribal, spiritual survival of Native people; another land nurtured to reflect the vigor and enterprising nature of our people in society today.</p> <p>Into the future, Sealaska Corporation will continue to be the strong economic engine of the Native people. But that role will be limited to the economic sphere. Sealaska will be active in, but will not dominate, Native affairs.</p>				Sealaska's profits made substantial shareholder dividends possible. They also allowed Sealaska to support the cultural and social programs that most shareholders have said they want. Income earned by Sealaska has provided many dollars for scholarships, internships, cultural programs and study, issue advocacy, and other worthwhile activities.		
Mission, Vision, Goals or Similar			<p>Manage its assets to provide reasonable, continuing returns to the Corporation and equal benefits to shareholders.</p> <p>Preserve certain of its natural resources for long term cultural values. Manage for recognized excellence.</p>						<p>Sealaska Corporation's origin is in the culture and tribal land base of Southeast Alaska, the Alaska Native Brotherhood, and the Alaska Native Claims Settlement Act. Sealaska's Corporate Philosophy is to support and preserve the economic, cultural and social values of its shareholders through excellence in management in profitability. In recognition of this commitment, Sealaska's Mission is: To increase corporate equity value. To maximize return for dividends and growth. To maintain native control and ownership of Sealaska Corporation and ANCSA lands for all generations.</p>	


Table 4. Economic Development Timeline, Era 2: 1980-1997 (continued)					
Year	1993	1994	1995	1996	1997
Major Events	Building products company (ABC) sale completed				Calcium carbonate mine operation begins construction, purchase of TriQuest precision plastics
Annual Report Reviewed?	Yes	No	No	Yes	Yes
Theme				Beyond Dividends	
Important quotes	<p>In developing their vision for the future of our Corporation, the Board had two clear goals: to increase the financial strength of the Corporation, and to enhance the related socio-economic and political health of the Sealaska region as it affects its shareholders.</p> <p>We are making significant efforts to extend the lifetime of our timber producing lands through reforestation and precommercial thinning of second growth areas.</p>			<p>Achieving a healthy balance between economic benefits and protection of our land is one of Sealaska's most important jobs today.</p>	<p>We have those who contend we could do more for shareholders. It is our goal to do more. Sealaska has more shareholders than any other Alaska Native corporation. Each year, when it is time to slice the profit pie, it must be cut into nearly 16,000 pieces, the number of Sealaska shareholders. Each is entitled to his or her share of the distributions and benefits.</p> <p>Our cultural and historic resources provide the very identity of who we are. This fact alone demands that Sealaska manage its lands and resources for their protection. Sealaska is Responsible for balancing conservation and environmental considerations with shareholders' economic needs. Sealaska is structuring its resource management program to perpetuate our cultural identity and support subsistence as a way of life.</p>
Mission, Vision, Goals or Similar	<p>Sealaska Corporation's origin is in the culture and tribal land base of Southeast Alaska, the Alaska Native Brotherhood, and the Alaska Native Claims Settlement Act. Sealaska's Corporate Philosophy is to support and preserve the economic, cultural and social values of its shareholders through excellence in management and profitability and to maintain its special status as an ANCSA corporation and as a tribe. In keeping with the Corporate Philosophy, Sealaska's Mission is to: To maximize return for dividends and shareholder benefits by increasing corporate equity value. Maintain regional Native control and ownership of Sealaska Corporation. Retain control and ownership of Sealaska's ANCSA lands in perpetuity for the original shareholders, their heirs; and their descendants.</p>				<p>Sealaska Corporation's assets are derived from the aboriginal assets of Tlingit and Haida Indians. They were preserved through the efforts of the Alaska Native Brotherhood and Alaska Native Sisterhood and their advocacy for the passage of ANCSA. Sealaska's Corporate Philosophy is to protect and grow these assets and to use them to provide economic, cultural and social benefits to current and future generations of Sealaska shareholders and their descendants.</p> <p>In keeping with the Corporate Philosophy, Sealaska's Mission is to:</p> <ul style="list-style-type: none"> <li>• Maximize return on assets with a prudent level of risk.</li> <li>• Increase shareholder equity.</li> <li>• Maximize dividends and other shareholder benefits for the purpose of enhancing shareholders' quality of life.</li> </ul>

Table 5. Economic Development Timeline, Era 3: 1998-2006					
Year	1998	1999	2000	2001	2002
Major Events		Triquest opens new plants in Mexico.	Seacal (mining) and Triquest (plastics) sold. Investment made in casino in Escondido, CA and Alaska Native Wireless.	Reinvestment in plastics as Nypro Kánaak	Alaska Coastal Aggregates is founded.
Annual Report Reviewed?	No	Yes	Yes	Yes	Yes
Theme		Pulling Together <i>Wooch ji een</i>	Building on Our Strengths		<i>Keiyteen</i> - rising to a higher level
Important quotes		<p>We are committed to the highest possible environmental standards. Our goal is to set new high levels of compliance in all regions where we operate and to define a more meaningful environmental approach for resource-based industries than ever before. We invest in forest and resource management research to develop practical, scientifically-based ways of sustaining fish, wildlife and our forests for current and future generations.</p> <p>Our language, traditions and cultures - of the Tlingit, Haida and Tsimshian - are tied deeply to the abundant water, rugged lands, and rich forests of Southeast Alaska, as they have been for centuries. Today, however, our influence is found in many other parts of the world... we conduct business far beyond our traditional homeland and our Juneau, Alaska, headquarters.</p>	<p>For the first time in 18 years, we are reporting a loss of \$122 million on revenues of \$72 million. Our 2000 results are clearly a major disappointment to our Board of Directors, management, and our shareholders. The net loss consists of \$41 million in operating losses from continuing operations, and \$81 million from discontinued operations and a discretionary change in the way we account for our section 7(i) liability. This is a setback for Sealaska Corporation, and it will affect us for several more years. However, we faced losses before and experienced severe financial situations in the early 1980's. We worked them out successfully. We believe we have the commitment and strength to reverse these difficulties and succeed.</p>	<p>Through famine, ice age, sickness, war and other obstacles, unity and self determination are essential to survival.</p> <p>Thirty years is time enough to observe dramatic change in the lives of Alaska Natives, but it is also only a short but recent chapter in the centuries-long history of Alaska Natives, our relationship to the land, our relationship to each other, and to the larger state, national and world societies in which they exist. Thirty years later, we recognize the competitive strength of a business corporation founded on Native culture and Native values. It has taken three decades to get here, but we have arrived at a formula for success, at a strong confluence where business and culture come together and push each other toward success.</p>	<p>Our primary focus in 2003 will be the development of companies where Sealaska has a competitive advantage using our minority and 8(a) status within government contracting and commercial diversity supply.</p> <p>Since Sealaska was founded in 1971, our story has been one of business achievement grounded in our strong cultural heritage and values. This year has been a turning point for Sealaska. To better explain what we have gone through in 2002, we're retelling the legend of the abalone earring, <i>keiyteen</i>.</p> <p>Our rise resonates with native pride. There is a vast wealth of knowledge and expertise within our shareholder base. Sealaska is committed to encouraging our shareholders to excel by providing higher education scholarships and career advancement opportunities through shareholder hire.</p>
Mission, Vision, Goals or Similar	➔				


Table 5. Economic Development Timeline, Era 3: 1998-2006 (continued)				
Year	2003	2004	2005	2006
Major Events		Sealaska Environmental Services Founded		MBS Purchased, "New Shareholders" are approved by vote
Annual Report Reviewed?	Yes	Yes	Yes	Yes
Theme	Transform	A collective Vision	Core Values	Strategic Growth for a Historic Time
Important quotes	<p>We are making a natural progression in our business development. Our roots in the land and our cultural ability to use its resources wisely give us income. With this income, we make thoughtful investments. Honoring our cultural roots we are leveraging our corporate experience as we position Sealaska as a minority/diversity supplier - combining our heritage with our proven business abilities.</p>	<p>Our people have always been producers of trade goods. We navigated our ocean-going canoes to the reaches of the Alaska Peninsula in the east and as far south as California to trade. We traveled overland to do business with the peoples of the far interior. Today, this same trading instinct continues to guide us in creating partnerships that build our asset base and provide new opportunities for our shareholders. Our vision and influence around the world is growing as we conduct business far beyond our traditional homeland.</p> <p>The Native peoples of Southeast Alaska have maintained an unbroken relationship to the land our land, our culture and our traditions against all odds. At Sealaska we understand the importance of employing the timeless values of an ancient culture. We draw upon these values to guide us in the enduring vision of our culture for over 10,000 years. The tenacity and strength of our vision has allowed us to hold onto meaning of sustainability. We carry a vision of a corporation that sustains itself and grows by making sound business decisions that benefit current and future generations of our people.</p>	<p>To sustain our culture over the past 10,000 years, Alaska Natives have had to adapt to change. Yet throughout time, we have maintained values that guide us and form the core of our community. When new forces test our resolve, Alaska Natives rely on our core values for strength and guidance. The same can be said for Sealaska Corporation. In 2004 and 2005, STC and Sealaska Natural Resources Division completed a timber inventory to replace the 1978 inventory. This new inventory concludes that Sealaska's economically harvestable timber volume is considerably lower than was forecasted by the 1978 inventory. As a result, capitalized road costs must be recovered over a smaller volume of harvestable timber which has resulted in impairment adjustments as reported above. STC is initiating a plan to systematically reduce harvest volume from a current annual average of almost 100 million board feet (mmbf) to 75 mmbf in 2006 and to 50 mmbf in 2007. Through this reduction STC will continue to provide timber to its customers and provide local jobs, albeit less than in previous years. STC is working closely with the Natural Resources Department to secure additional land entitlement owed to Sealaska under ANCSA.</p> <p>To address these changes, Sealaska is implementing a comprehensive strategy to diversify its operations, while embarking on new resource development strategies. The goal of this strategy will increase our resilience and ability to sustain a steady profitable growth and a stream of benefits to our shareholders. The Board of Directors also remains concerned about the decline in the economy of the villages in Southeast Alaska and is in an ongoing discussion with Southeast village leadership to seek enterprise solutions.</p>	<p>As the marketplace evolves, more and more companies are seeking diversity supply solutions from minority-owned businesses. From manufacturing to information technology to environmental consulting, demand is increasing in industries where Sealaska and its subsidiaries have considerable expertise. These economic forces combine to facilitate our growth into new industries by strategically leveraging our existing strengths. Our advantage is clear: Even among our diversity supply competitors, our financial stability and depth of skill are unparalleled. In 2006 Sealaska pursued new business in the services industry. Sealaska acquired Managed Business Solutions (MBS), a majority-owned subsidiary that supplies premiere information technology services.</p>
Mission, Vision, Goals or Similar	<p>Our core mission will always remain in the forefront: growing the value of Sealaska, perpetuating our culture and creating opportunities and benefits for our shareholders, the Tlingit, Haida and Tsimshian people. Our business areas are transforming and your Corporation is growing.</p>	<p>Sealaska's corporate philosophy is to protect and grow our assets and provide economic, cultural and social benefits to current and future generations of Sealaska shareholders. Our collective vision includes: Our elders who carry the priceless wisdom of the past • Our young generation of business leaders who will guide the corporation • Our shareholder descendants who will carry our strength and determination into the future. • Our business associates and customers who carry a shared commitment to quality and innovation. The past, the present and the future all come together at Sealaska to unite us in a vision of an enduring and successful corporation dedicated to responsible growth and cultural prosperity.</p>	<p>Core Values: Responsibility, growth, adaptation, resources, trade, family, heritage, perpetuation.</p> <p>Our ancient values guide our growth. Soaring with the Eagle and Raven, the spirits of our land and ancestors support our native heritage. Our heritage enhances our adaptation to ongoing changes in our world and it is this dynamic spirit that continues to drive Sealaska today.</p> <p>Our corporation is guided by the values and traditions of our ancient cultures and is rooted in the stewardship of our land and in our people's history of trade and commerce. Our business is constantly growing and changing with the passage of time—our ability to adapt to new business environments strengthens the future of our people and ensures that our Native culture lives on in perpetuity.</p>	

Table 6. Economic Development Timeline, Era 4: 2007-2013							
Year	2007	2008	2009	2010	2011	2012	2013
Major Events	<i>Haa Aani</i> legislation introduced to congress, “new shareholders” vote in annual election	Sealaska Global Logistics founded	Sealaska constructors and, <i>Haa Aani</i> , LLC founded	40 year anniversary of ANCSA passage	40 year anniversary of Sealaska Incorporation		
Annual Report Reviewed?	Yes	Yes	Yes	Yes	Yes	Draft	N/A
Theme	Our People, Our Land, Our Corporation	A Spirit of Perseverance	May the Flame of Tradition Continue to Burn	ANCSA in our own words	<i>Haa Shagóon</i> – Our Past 40 Years and Future 40 Years	Values in Action	
Important quotes	Last summer, Sealaska ushered in a historic era with a vote to enroll Native descendants and Leftouts into the Corporation. Since then we have welcomed more than 2,200 new enrollees, who are bringing a renewed vitality to all aspects of our businesses and Native culture.	Through the ages, Alaska Native people have stood strong in the face of many challenges, from cultural survival to the fight for our ancestral lands. With determination and resilience, we have looked to the values taught to us by our Elders to guide us through the most difficult times toward a brighter future.	Providing for future generations requires innovation and allegiance to our Native values. Sealaska’s newest subsidiary, <i>Haa Aani</i> , LLC, is a venture established to create sustainable communities within Southeast Alaska. Historically, our Corporation invested in local economies through timber harvesting and its related industries. <i>Haa Aani</i> is a whole new enterprise built around the Native value of land stewardship and community sustainability that will enhance the social, economic and cultural lives of Sealaska tribal member shareholders.	Striking a balance between conservation and the economic realities of the region has been a major focus for Sealaska. <i>Haa Aani</i> would allow us to select lands that are less environmentally sensitive than the lands currently available to us.	You will be hearing more about our core Native values as we renew our focus and revitalize Sealaska through our “Values In Action” effort. Values in Action will permeate everything we do, grounding all of our efforts in our core values: <i>Haa Aani</i> , our land, and the basis of our collective identity and culture; <i>Haa Shagóon</i> , our past, present and future; <i>Haa Latseen</i> , our collective strength and leadership; and <i>Wooch.Yax</i> , balance, reciprocity and respect.		From Sealaska.com, <b>Our Vision</b> —grow the company as a Native institution that maximizes its cultural capital by embedding Alaska Native values into its daily operations. <b>Our Mission</b> —to maximize return on assets with a prudent level of risk, increase shareholder equity, and maximize dividends and other shareholder benefits for the purpose of enhancing shareholders' quality of life. <b>Our Philosophy</b> —to protect and grow our corporate assets to provide economic, cultural and social benefits to current and future generations of our shareholders.
Mission, Vision, Goals or Similar	Grow the company as a Native institution that maximizes its cultural capital by embedding Alaska Native values into its daily operations.	→	Today, access to education, availability of employment, well-managed land, abundant affordable energy, and rich Native culture are the flames that will sustain our communities.	→	Our very first mission statement captured that sense of solidarity and shared values and the strength of our collective identity. Today, our mission is to create opportunities for our people and to strengthen culture and communities within our homeland by embedding Alaska Native values in daily operations and achieving business excellence. <b>That’s values in action.</b>	→	

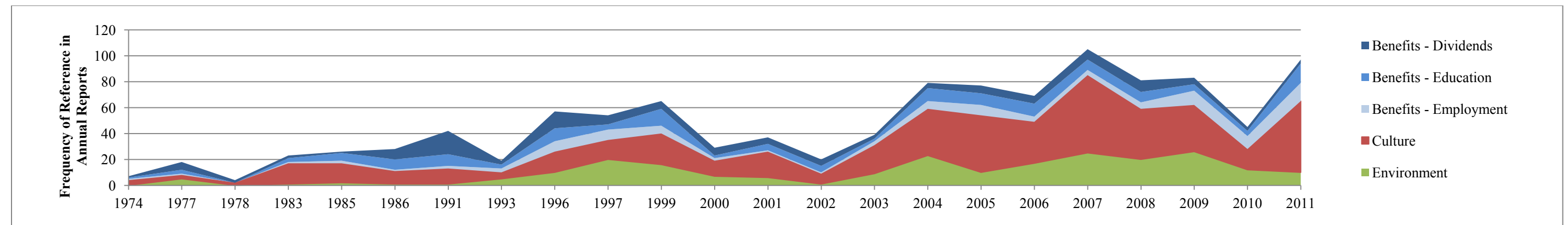


Figure 11. Prevalence of “mitigating value systems” language in annual reports: 1974 – 2011.

*Sealaska, Economic Development and the Theory of Indigenous Capitalisms*

This chapter so far, has been focused on presenting the history of Sealaska's economic development strategy in rather practical terms. Generally speaking, the purpose of this exercise has been to facilitate answering the question, how has indigeneity influenced Sealaska's economic development efforts in Southeast Alaska? As discussed in Chapter 4, there were two main objectives in asking this question. First, this historical examination allows for comparison between indigenous capitalism as practiced by Sealaska and the propositions of the Theory of Indigenous Capitalisms (see page 21). Second, it allows for past actions to be evaluated relative to the three goals of indigenous economic development (see page 3), and thus can serve to improve performance of future development efforts (see Chapter 7). The remainder of this chapter will discuss the history presented above in light of these two goals.

With knowledge of the three general goals of indigenous economic development presented in Part I, and the narrative of Sealaska's experience with economic development given here it is possible to undertake a basic comparative evaluation. Because of a significant amount of change over time – especially notable recent changes with as yet unknown impacts – any evaluation of Sealaska's impact on economic development must be understood as provisional. As a reminder, indigenous economic development is generally concerned with 1) improving economic conditions, 2) preserving and revitalizing Native culture and 3) increasing self-determination through the expression of sovereignty.

The economic performance of Sealaska's development efforts can be considered from two perspectives which lead to quite different conclusions. If viewed from a coarse, purely monetary standpoint it appears that despite some ups and downs over time, all told Sealaska has performed quite well. In 2012 the company's assets were valued at over \$386 million and total

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profits exceeded \$11 million. Furthermore, since incorporation Sealaska has paid out almost \$515 million to shareholders and village corporations in addition to \$317 million to other regional corporations via profit sharing (Sealaska Corporation, 2013c). Thus, Sealaska has been for the most part a profitable corporation and has distributed a significant amount of money to the region's communities over time. There are, however, several problems with this perspective on economic performance.

First, there is the issue of scale. Sealaska has always had over 15,000 shareholders, and today over 22,000 individual own Sealaska shares (United States Government Accountability Office, 2012). Using a conservative average of shareholders over the history of Sealaska, of the approximately \$515 million distributed (some of which went to village corporations rather than individuals) each shareholder would receive on average about \$700 per year. Thus, while Sealaska's financial performance has been generally strong, the realized monetary gain by an individual shareholder has been relatively modest.

The second issue is that these financial statistics do not account for other economic benefits such as employment and the spending induced by Sealaska's business activities in Southeast Alaska. A Sealaska commissioned report found that in 2007 the corporation and its contractors employed over 500 individuals in full and part-time positions while spending over \$50 million in the region (McDowell Group, 2008). Unfortunately, more specific data on shareholder employment and indirect benefits are not readily available and thus, the picture remains incomplete. Ultimately, a more holistic evaluation of economic performance seems prudent. Given the goal of ANCSA to improve the economic standing and living conditions of all Alaska Natives, it is important to ask whether or not this has in fact occurred.

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No doubt, some Alaska Natives have found significant wealth as a result of ANCSA in general and the activities of Sealaska specifically. Most notably, those who have secured full time employment with a Native corporation, especially as a manager or director, have benefited significantly (Mason, 2002). This is not meant to be an indictment of corporate compensation or argument for egalitarianism. Performing and competing in the corporate world requires competitive compensation to retain capable leadership, and Sealaska has in fact set compensation on the low to mid range compared to similar companies (United States Government Accountability Office, 2012). However, no matter the reason, the result has been to increase the disparity between rich and poor in Native Southeast Alaska. The majority of rural Southeast Alaska Natives receive significantly less benefit from Sealaska than those employed by the company.

Thus, despite 40 years of Alaska Native corporate activity in the region, Southeast Alaska communities overall remain depressed. Martin and Hill (2009) provide an overview of the economic conditions of Alaska Natives from 1970 to 2007 and show that despite increased education, employment and income have remained stagnant. A revealing statistic is the average double-digit decline in population experienced by Southeast Alaska native communities between 2000 and 2008 (Sealaska Corporation, 2013b). Economic opportunity continues to be lacking, especially with the decline in Sealaska timber harvest. Given this fact alone it is difficult to argue that Sealaska is performing well with regard the first goal of indigenous economic development. Of course, the new efforts of Haa Aani, LLC represent a significant departure from the status quo and with this new chapter there appears to be significant potential for improvement.

In contrast to relatively poor performance with regard to economics, Sealaska's cultural efforts have thrived. Funded through the for-profit activities of Sealaska, the non-profit Sealaska

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Heritage Institute has grown to be the primary player in the preservation and revitalization of Southeast Alaska Native culture. Through research, education and outreach SHI has provided services to Sealaska shareholders throughout Southeast Alaska and beyond. While these cultural efforts have thrived as a result of Sealaska's profitability, achieving the reciprocal of this relationship has proven more elusive. It remains unclear how Native culture can be incorporated in to Sealaska's business practices in meaningful ways. Recalling Part I, Dombrowski (2001) suggests that the cultural efforts of ANCSA corporations have served to reinforce differentiation, and thus strengthen Native claims to land and resources. This would be one possible way for successful cultural efforts to positively reinforce economic performance of the corporation. However, at least in the case of Sealaska, if such a relationship does exist it is minor and incidental. Based on the research presented here the far more prominent theme is an ongoing struggle to establish a mutually reinforcing relationship between culture and capitalism.

Evaluating the third goal of indigenous economic development – sovereignty and self-determination – presents a bit more of an analytical challenge than the previous two. Important questions must be answered before any evaluation can be undertaken. For example, how does one measure sovereignty? Whose sovereignty is being measured? With regard to ANCSA as a whole, many have considered these questions and reached very different conclusions (Anders, 1989; Berardi, 1998; Dombrowski, 2002; Flanders, 1989; Roderick, 2010). Without getting too deeply in to the ANCSA debate it can be said that the settlement that transferred land and cash to Natives no doubt increased sovereignty relative to the previous, uncertain relationship. However, while there has been some additional opportunity for increased self-determination through improved economies, the corporate form has not always been the ideal tool for Native governance or sovereignty. Thus, when sovereignty is evaluated for Alaska Natives in general

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and measured relative to pre-ANCSA conditions performance has been fair. Admittedly, all this does not speak directly to Sealaska's specific actions. At the scale of a single Alaska Native corporation, sovereignty is better considered as the ability of the company to freely control its investments and operations in such a way that protects Native lands and values. Limitations on Sealaska's ability to express sovereignty in this way are many, and are best understood by returning to the Theory of Indigenous Capitalisms.

For review, the Theory of Indigenous Capitalisms proposes that the complex interaction of native peoples with Western capitalism can be understood to result from **1)** historical and political relations of incorporation ; **2)** mitigating value systems; and **3)** a dual promise of subsumption and self-determination (Bunten, 2011, p. 61). Each of these propositions will be addressed individually. There is no doubt that Sealaska is impacted by historical and political relations of incorporation. Indeed, the corporation's very existence is dependent on the contentious resolution of a lengthy political negotiation over Native land claims. The complex provisions of ANCSA and its amendments continue to provide challenges and opportunities for Sealaska that are unique to Alaska Native corporations. The very fact that Sealaska takes interest in issues beyond profit must also be partially understood as a result of its non-traditional origins.

Admittedly, there is no great revelation in stating that Sealaska is a product of unique political and historical circumstances. What is perhaps most interesting and important regarding political and historical relations of incorporation in the case of Sealaska is the unpredictable and far reaching impacts of those relations. Most notable is the ongoing conflict between economic development on the one hand and environmental sustainability on the other. From a perspective of economic rationality, the situation presented to Sealaska by ANCSA has time and time again favored high rates of timber production. Sealaska's ability to become a viable, profit-making

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corporation was initially dependant on turning timber in to capital. The profit sharing provisions of ANCSA motivated harvest rates higher than what might be needed to meet Sealaska's needs alone. The NOL provisions of the 1987 amendments created new incentives to harvest. This is not all to say that Sealaska has been without agency in the decisions made regarding the use of its lands. However, all told the system in which Sealaska operates has encouraged a pattern of land use that favors short-term profit over other considerations. To suggest that as a Native corporation Sealaska *should* forgo income that a non-native corporation would certainly pursue is to fall victim to the stereotype of the ecological Indian. However, Sealaska frequently cites a Native value of sustainability in its annual reports and marketing materials. How then can this ethic be reconciled with the realities of industrial timber production?

In answering this question it is useful to consider the second proposition of the Theory; the existence of mitigating value systems in indigenous capitalism. It has become abundantly clear through this research that as a whole Sealaska possesses a significant system of mitigating values. Indeed, the mitigating values present throughout the history of Sealaska largely constitute what can be understood as an indigenous economic development strategy. A focus on shareholder benefits including education and employment, cultural preservation, legal protection of Native lands and environmental sustainability generally make up the mitigating values of Sealaska. Similar to the first proposition, the mere existence of a mitigating value system within Sealaska is not particularly revelatory. What is more interesting is the challenge of turning values in to actions. In the context of Western capitalism, operationalizing native values is not necessarily straightforward or even legal. As discussed above, Sealaska continues to struggle to effectively incorporate Native values in to the for-profit component of its business. Furthermore, the ability to realize some mitigating values (i.e. cultural preservation) may be dependent on the

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profitability of actions (i.e. timber harvest) that directly conflict with other values, (i.e. subsistence practices).

It is the interaction between the necessity of profitability, and the opportunities and constraints dictated by historical and political relations of incorporation on one hand, and the existence of a huge variety of mitigating, Native values on the other that underlies the third proposition; the dual promise of subsumption and self-determination. It is clear that in ANCSA Sealaska has found the promise of self-determination through economic opportunity, but the question of costs remains. Finding balance in a world of this dual promise is the fundamental challenge of indigenous capitalism. Unfortunately, Bunten (2011) and the Theory of Indigenous Capitalisms in its current form only take us as far as identifying the challenges. Notwithstanding this limitation, the results of this research clearly indicate that the Theory is a useful tool for examining examples of indigenous capitalism and that its core propositions hold true in the case of Sealaska. This suggests that the theory is indeed valid, though of course additional tests of durability are required. For the purposes of this thesis, more than anything else the Theory of Indigenous Capitalisms has encouraged looking beyond the superficial when examining an indigenous enterprise, and this in itself is a very valuable lesson. However, there remains the pressing question of how to succeed in a world of dual promises and competing goals. The final chapter of this thesis examines the potential role that tourism might play in achieving this elusive balance.

## **Chapter 7 – The Conspicuous Absence and Future Potential of Sealaska Tourism**

At the outset of the research effort presented in this thesis, the primary objective was to evaluate tourism's potential for contributing to sustainable economic development in Southeast Alaska's Native communities. At the time, this seemed a rather straightforward and technical question. However, as the study proceeded the complexity of indigenous capitalism as practiced by Alaska Native corporations became increasingly evident, and the scope of the research expanded. As a result, the original goal of the research received less attention than it likely would have otherwise. While this is unfortunate, the understanding of indigenous capitalism's complexities achieved by expanding the scope of research can contribute to economic development and tourism planning in ways equally as important as a more technical analysis. It can be argued that without a broader understanding of the indigenous experience with capitalism and the many unique challenges that this interaction entails, the true potential of indigenous tourism would be overlooked.

It is not just that tourism offers the potential for economic opportunity that can be compatible with Native values. In tourism there is a flexibility in which Native peoples might simultaneously achieve a range of personal and collective goals. Thoughtfully developed tourism can offer the opportunity to share the story of indigenous people in the modern world; offer personally, financially and culturally fulfilling employment; encourage conservation of natural and cultural resources; and expand opportunity for individual and community self-determination. Of course, as noted previously, uncontrolled tourism development is likely to ignore or actively undermine some of these same opportunities. The goal of this section is therefore to encourage the former while avoiding the latter.

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The recommendations provided below emerge from the strong theoretical foundation in tourism, economic development and indigenous capitalism developed in Part I; and the in depth understanding of Sealaska's past and present derived from the case study described in Part II. This means that while suggestions are provided on how to organize and conduct business, they are not grounded in a truly business-oriented analysis. Future research focused on profitability, feasibility and marketing are certainly warranted and will be discussed in the conclusion of this thesis. However, given the goals of indigenous economic generally, and Sealaska's efforts manifest in Haa Aanii, LLC specifically, the more holistic analysis and recommendations presented here should prove broadly valuable. In moving towards recommendations this section will first provide a concise overview of the scale, makeup and trends of Southeast Alaska's tourism industry before briefly reflecting on Sealaska's past and present relationship with the industry.

### *The Alaska Tourism Industry*

This research was largely motivated by the feeling on the part of the author and some Sealaska personnel that the corporation's non-participation in the Southeast Alaska tourism industry represented a missed economic development opportunity. The tourism industry in the region is big business, and a great deal of money is spent by visitors (McDowell Group, 2013). However, it is not enough to simply recognize this fact and proceed blindly in the hope of riches. Despite the fact that profit is likely to be but one of several goals in any tourism development undertaken by Sealaska, it is important to develop a somewhat more nuanced understanding of the Southeast Alaska tourism market in order to establish a basic realm of possibility for the corporation's involvement. Basic questions such as "how many people are visiting and who are they?", "how long are they staying?", "where are they going?", and "what are they doing here?"

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are a good place to start. In answering these questions two resources are very helpful. The first is a periodic study commissioned by the Alaska Department of Commerce, Community, and Economic Development that provides a summary of statistics and trends in Alaska's tourism industry (McDowell Group, 2012, 2013). Unfortunately, the analysis presented in these reports is largely aggregated to the state level, and it is not always possible to extract Southeast-specific information. The second resource provides a multi-faceted economic and social analysis of tourism's impacts in Southeast Alaska, but is unfortunately somewhat dated (Cervený, 2005). Luckily, each of these resources tends to compensate for the shortcomings of the other, and together can serve to answer the basic questions about tourism posed above.

### Visitor Volume, Varieties and Relative Impact

Between May 2011 and April 2012 it is estimated that nearly 1.1 million tourists visited Southeast Alaska (McDowell Group, 2013). However, over one million of this total visited between May and September of 2011, a fact that reveals the fundamentally seasonal nature of the region's tourism industry (McDowell Group, 2012). Another important characteristic of tourism in the region is that while Southeast attracts nearly 70% of Alaska's visitors, it only receives 10% of overnight visitors; a discrepancy that results from the dominance of cruise ship tourism (Cervený, 2005; McDowell Group, 2013). In thinking about the economic and other impacts of a given tourist it is therefore important to differentiate between cruise and non-cruise travelers. Non-cruise passengers arrive in the region by air, ferry or highway. Cruise visitors spend an average of 8.5 nights in Alaska while air visitors stay longer at an average of 9.8 nights and highway/ ferry visitors remain for closer to two weeks (McDowell Group, 2012). Cruise and non-cruise passengers also differ in their spending. For example, during the summer of 2011 the

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average Alaska tourist arriving by air spent \$1,455 in the state while the average cruise passenger spent only \$632 (McDowell Group, 2013).

Accounting for the increased spending and longer stay of non-cruise ship passengers it is clear that on a per-person basis this type of traveler represents a more valuable market. It is with this category of tourist that a low volume, high value model of tourism can be most successful. A high volume model of tourism is possible in areas visited by cruise ships and the sheer number of tourists in this category continues to make the market enticing where it exists. However, a trend toward non-local ownership has occurred in most of Southeast Alaska's established cruise ship ports (Cervený, 2005). Competing with established, vertically-integrated amenity providers in cruise ship ports will be difficult without significant marketing and development of unique amenities. Participation in the cruise-tourism market is also subject to the whims of the multi-national ship operators. Cruise ship arrivals in the region remain mostly stable after several decades of rapid growth and are currently recovering from a minor drop associated with the recent recession (McDowell Group, 2012). For individual communities arrivals may be more variable as ports of call may compete for ships and demand is far beyond the control of local tourism brokers.

Non-cruise tourists can be divided into two general categories: packaged tourism and independent travelers. Together these two categories account for around a quarter of Southeast Alaska's visitors (McDowell Group, 2013). Packaged tourists book travel through a central outfitter that arranges lodging, meals and activities. Examples of package focuses include charter fishing, kayaking and hiking (Cervený, 2005). Independent travelers on the other hand book accommodations and activities individually. They may arrive by highway, air, ferry or sail their own vessel from the south. Of the three classes of tourists they tend to use local accommodations

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and other amenity providers the most and their individual economic impact on local communities is therefore the highest (Sidor, 2004).

### Destinations and Activities

Southeast Alaska's many small communities have had extremely diverse experiences with tourism. Not surprisingly, the most significant determinant of visitor volume for a community is whether or not it serves as a port to large cruise ships. The region's main urban area, Juneau, is the most popular destination in Alaska and in 2011 was visited by 63% of visitors to the state. Coming in just behind Juneau are the much smaller Ketchikan and Skagway which were each visited by 53% of Alaska tourists; over 500,000 people, almost all during the five month cruise season (McDowell Group, 2012). No other Southeast Alaska communities appear in the ten most visited destinations. Most of the region's Native villages fall beyond the major influence of the cruise industry, but many draw package or independent tourists. Beyond the cruise/ no cruise dichotomy there is additional variability between communities.

Cervený (2005) has developed a typology that classifies Southeast Alaska communities by level of tourism development, and is presented in Table 7. Now almost ten years old the example communities have changed category in some cases. Most notable is Hoonah which in 2004 began welcoming cruise passengers to a large development near the town. The project, a partnership led by the local Alaska Native corporation, restored a cannery in to a cultural and adventure tourism destination that is now visited by 14% of Alaska tourists (McDowell Group, 2012). Notwithstanding changes such as this, the typology remains useful for understanding the range of experiences with tourism throughout the region and also the range of possibilities for future development.

<b>Tourism type</b>	<b>Features</b>	<b>Examples</b>
No organized tourism	No basic accommodations No established eateries for guests No or minimal guest facilities Low visitor volume	Tenakee Springs, Hydaburg, Hollis, Edna Bay, Klukwan, Meyer's Chuck, Angoon, Kasaan
Minimal signs of tourism	Basic accommodations and eateries Some charter fishing or guided hunting Low visitor volume Predominantly locally owned businesses	<b>Hoonah</b> , Pelican, Klawock, Thorne Bay, Coffman Cove, Naukati
Specialized tourism	Few hotels/lodges for independent travelers Self-contained facilities (e.g., lodges) Moderate visitor volume Local and nonlocal ownership	<i>Fishing</i> : Elfin Cove, Waterfall, Port Alexander, Yakutat, Point Baker <i>Cultural</i> : Saxman, Kake, Metlakatla
Developed tourism	Full range of lodging and guest services Moderately diversified tourism activities Developed tourism infrastructure Moderate visitor volume Mixture of local and nonlocal ownership	Wrangell, Petersburg, <b>Craig</b> , Gustavus
Cruise-based tourism	Full range of lodging and guest services Highly diversified tourism activities Developed infrastructure High visitor volume Local, nonlocal ownership and some investment from tourism corporations	Juneau, Ketchikan, Skagway, Sitka, <b>Haines</b>

**Table 7.** Typology of tourism development in Southeast Alaska communities. From Cervený, 2005, p. 13.

A final important component of the Southeast Alaska tourism industry is the types of activities that visitors participate in. Communities, businesses and individual entrepreneurs interested in entering the tourism industry must at the very least understand current trends as a starting point. The most participated in activities of 2011 are presented in Figure 12 and reveal few surprises. However, popular activities should not be understood as the only or even the best points of entry in to the industry. In the competitive Southeast Alaska tourism industry future growth is likely to occur in underdeveloped sectors. Furthermore, within and between the general categories presented in Figure 12 there are many sub-categories and room for innovation or hybridization.



**Figure 12.** Most Popular Tourist Activities in Alaska. From McDowell Group, 2012, pp. IV–19.

Another important consideration is that activity preferences vary by tourist type. For example, cruise tourists are more likely to participate in shopping and cultural activities while independent tourists do more fishing and hiking (McDowell Group, 2012). It is therefore necessary for tourism brokers to recognize the current level of development in the community and ideally anticipate future trends. The typology presented in Table 7 can be helpful for these purposes.

### *Sealaska's Non-Participation in Tourism*

In Sealaska's *First Annual Report to Shareholders* (Sealaska Corporation, 1974) the early visionaries of the company present a vision of the future. In this early vision the economic

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powerhouses of the region, timber and fisheries are anticipated to be the foundation on which the company's success will be built. This portion of the vision proved to be largely accurate. Timber remains the backbone of Sealaska Corporation today, and seafood was an early contributor to company growth and has received new attention and investment of late. In the next sentence of the 1974 vision, it is suggested that Sealaska's potential for growth may lie in another industry; tourism. Tourism has been mentioned in annual reports throughout the history of the corporation, for example the 1986 report says that:

The tourism industry is expected to flourish throughout the next several years. Sealaska plans to move into the tourism industry through its joint venture Naa Kahidi Theatre and development of the Juneau Cold Storage property among other targeted strategies involving certain real estate properties (Sealaska Corporation, 1987, p. 10).

However, despite occasional mention and minimal investment, this second prediction proved far less accurate. The Southeast Alaska tourism industry did indeed continue to grow, propelled largely by the expansion of cruise ship tourism in the region. However, Sealaska has had, and continues to have minimal involvement in the industry (Mancini, 2002; Sealaska Corporation, 1998, 2012a). Given early optimism within the corporation about the potential for tourism development, significant land holdings and the growth of the industry in the region, Sealaska's absence in the industry today appears somewhat paradoxical. This apparent paradox is worthy of some reflection because it has implications for Sealaska's future involvement in the industry.

On the surface it would seem that despite giving cursory mention to tourism early in the history of the company, Sealaska has essentially had the stance that "tourism is not what we *do*" (Sealaska Manager, Personal Communication, May 1, 2013). As discussed in Chapter 6, in spite of a great deal of diversification, timber has carried Sealaska throughout the company's history. Thus, one interpretation of the corporation's absence in the local tourism industry is that, as a timber company, Sealaska did not and does not possess the expertise or motivation to pursue

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tourism development. However, upon further reflection this explanation proves incomplete for several reasons. First, Sealaska has throughout its history shown a willingness to explore a wide variety of business opportunities in Alaska and beyond. Second, Sealaska has made minor investments in tourism including the Naa Kahidi Theatre in Sitka, AK (Sealaska Corporation, 1986), a casino joint venture with the Cloverdale Rancheria Band of Pomo Indians in Cloverdale, CA (Sealaska Corporation, 2003), and the forthcoming Walter Sobelev Cultural Center in Juneau, AK (Sealaska Heritage Institute, 2013). And third, Sealaska's potential influence in the Southeast Alaska tourism industry has been limited from above – as a result of ANCSA provisions – and below – as a result of community skepticism regarding tourism (Personal communication, Sealaska Director, April 29, 2013).

These three observations taken together with the discussion provided in Chapter 6 allow for a more nuanced understanding of Sealaska's relationship with tourism. It seems clear that the corporation's absence from the tourism industry does not stem from a lack of motivation or a failure to recognize the potential for development. Rather, a variety of different factors have dissuaded or precluded significant investment in tourism throughout the history of the company. From the very beginning, due to the structuring of ANCSA and the lands selection process among other factors, Sealaska was almost certainly going to be a timber focused company. At the time tourism was on the radar, but its potential was less certain than the traditional strengths of the region; timber and fisheries (Sealaska Corporation, 1974). Thus, the initial investment of ANCSA funds was not directed to tourism. By the time Sealaska had achieved some level of financial stability and began to diversify the Southeast Alaska tourism market had become much more crowded and competitive market (Cervený, 2005). Furthermore, at this point primarily opportunities outside of Alaska were being considered because of the generally high risk

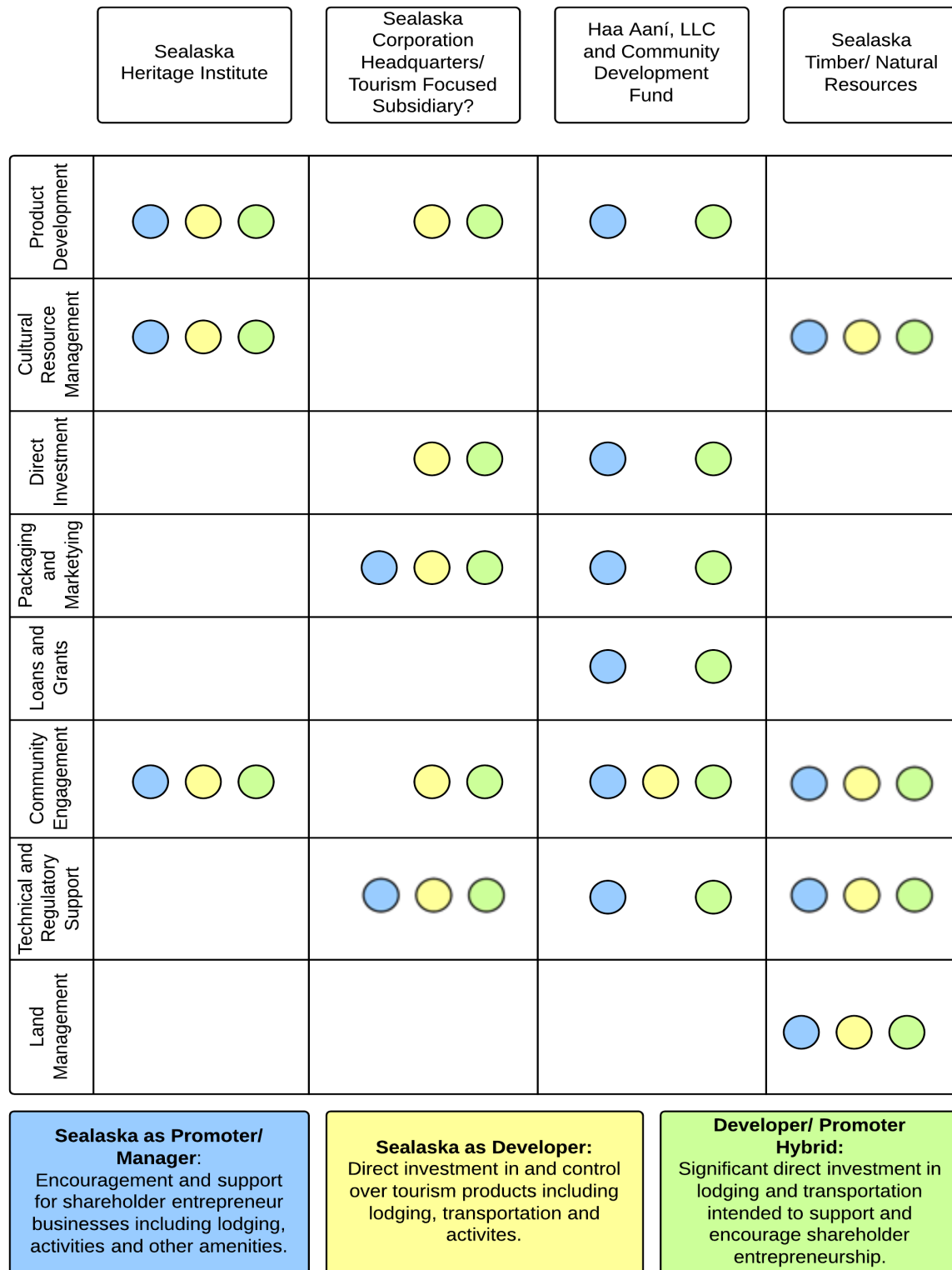
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associated with doing business in the region. Meanwhile at the local level many communities were simply not interested in welcoming large numbers of outsiders (Personal communication, Sealaska Director, April 29, 2013).

Looking back at Sealaska's history, it is apparent that a variety of factors have conspired to prevent significant participation in the Southeast Alaska tourism industry. However, recognition of this fact should not be understood as an argument against future involvement. Recent changes including pending land legislation and the stronger focus on diversifying local economic development manifest in the founding of Haa Aaní, LLC indicate a new era of possibility. While it would be foolish to discount the very real constraints that have existed in the past and continue to exist today, it would be equally as foolish to ignore opportunities. The remainder of this thesis is dedicated to providing recommendations for how Sealaska can work within its constraints while taking advantage of opportunities to develop tourism in such a way that is sensitive to the multiple goals of indigenous economic development.

### *Unlocking Tourism's Potential: Recommendations for Sealaska*

In Part I it was established that tourism is a powerful force with the potential to have significant positive and negative impacts on the human and natural world. Therefore, any effort to promote tourism development should at the very least identify possible impacts and preferably manage them in some way. Recalling the Broker-Local-Tourist model of tourism (see page 35), Sealaska as a promoter of tourism takes on the role of the broker. While a traditional private sector tourism broker would focus only on the impacts of tourism development that ultimately impact their bottom line, Sealaska's unique structure and mission necessitate a more holistic approach. Indeed, Sealaska possesses amazing flexibility as a tourism broker. By drawing on the



**Figure 13.** Potential tourism broker roles of Sealaska Corporation entities under three hypothetical tourism industry involvement scenarios.

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experience and capabilities of different subsidiaries, the corporation can approach tourism from the for-profit perspective of a private sector broker, the management and facilitation perspective as a land managing pseudo-governmental broker, and the community well-being perspective of a non-profit broker. As a result of this, Sealaska's potential for engagement with tourism is massive. Each sector of the corporation may take on a variety of roles depending on the type of tourism development that is ultimately pursued. Figure 13 provides a summary of the type of involvement each sector might have under a variety of scenarios based on experience and expertise.

Each constituent piece of Sealaska Corporation that is active in Southeast Alaska has the potential to be involved in tourism in some capacity. Sealaska Heritage Institute as the promoter and protector of Tlingit, Haida and Tsimshian culture would be expected under most any tourism development scenario to be involved planning, coordination and management of culturally based tourism products. Specific areas of focus might include issues of authenticity, clan intellectual property concerns, cultural program production and management of artifacts. Sealaska Corporate headquarters has perhaps the widest range of possible involvement. At the high end, this entity might authorize and fund a tourism focused subsidiary or make other major financial and/ or personnel investments in tourism. It would likely require significant involvement at the headquarters level to move much beyond Haa Aaní driven promoter/ manager role like that presented in Figure 13. However, at any level of development headquarters would be expected to draw on its broader connections for marketing, technical and regulatory assistance.

The entities primarily responsible for decision making on Sealaska's lands – Sealaska Timber Corporation and natural resources – could potentially be involved in any of the three scenarios. Development decisions on Sealaska lands have high potential to impact tourism value.

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Additionally, these entities can most readily address issues such as land access and spatial planning. Lastly, land management also directly impacts the availability and viability of certain material cultural resources including sites of historical significance. In the short term, Haa Aaní is likely to play the most substantial role in any Sealaska tourism involvement. In the long term, if a more substantial investment were made in tourism Haa Aaní would at the very least be expected to continue to act as a liaison to individual communities. The role of Haa Aaní, LLC its associated community development fund is discussed further in the following recommendations:

### Recommendation 1: Start Small

It should be obvious at this point that there is ample opportunity for Sealaska Corporation to be involved in the Southeast Alaska tourism industry. However, at present it seems unlikely that any large scale investment will be made in near future. For one, the type of high level planning necessary for Sealaska to make such a move has not been undertaken. Perhaps more importantly, the most obvious options such as purchasing a fishing lodge (an opportunity that Sealaska has been offered more than once) have not been projected to generate returns sufficient to justify a large capital investment (Personal communication, Sealaska Managers, May 1, 2013). Thus, for the time being Sealaska's involvement in tourism will more than likely be characterized by a role of promotion, management and facilitation through HAL and HACDF. The first recommendation – start small – is therefore likely to be implemented naturally.

The model for economic development that is currently emerging under Haa Aaní is very well suited to encouraging small scale, shareholder entrepreneurship in the tourism industry. There are certainly ideas in the Native villages of Southeast Alaska that require only a small amount of capital and technical support to become reality. For example, an individual interested in offering guesthouse-style lodging or small scale tour guiding may initially require only

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guidance on registering a business and complying with relevant regulations. Thus, the first goal for Sealaska's involvement in tourism should be to, through Haa Aani's presence in communities, identify and encourage shareholders with an active interest in the industry. This approach ensures that initial motivation and arises from a specific community rather than being imposed by a corporate entity. Small loans or grants offered through HACDF in concert with guidance on operating a business would be the next logical step under this approach to tourism development. For the most part, Haa Aani is already approaching economic development from this perspective, and transferring the model to tourism should be an easy first step.

### Recommendation 2: Consult with Communities

In moving much beyond providing minor assistance to individual tourism entrepreneurs it will be important to consult with communities on their vision for tourism development. Development efforts that must compete with local ambivalence or hostility are destined to fail, and it is Sealaska's intention to avoid such situations (Personal communication, Sealaska Director, April 29, 2013). Community opinion of tourism will vary greatly depending factors including existing economic opportunities, past experiences with tourism or outsiders and knowledge of other local tourism development. Because of the pervasiveness of the industry in the region, tourism will not be an entirely alien concept in even the most remote Southeast Alaska communities. As a result there are likely to be a variety of preconceived notions held about the industry and its desirability. In the case of any formalized effort on the part of Sealaska to develop tourism specific infrastructure or amenities in or near villages, community input should be actively sought.

Effective community consultation faces a number of challenges. In particular achieving representative attendance at meeting or events may prove difficult. However, it is important to

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hear dissenting voices in the tourism planning process (Reid, 2003). Furthermore, it is likely the most marginalized residents of a community that are in the most need of economic opportunity. It is therefore very important to try to get beyond community leaders in the consultation process. Village life in Southeast Alaska is complex and structured by a wide variety of entities that are involved in decision making in different ways. Traditional clan and house structure is overlain by government, corporate, tribal, religious and nonprofit considerations (Dombrowski, 2001). Tourism development planning and economic development discussions in general should seek to incorporate input from as many of these entities as possible.

In the community consultation process it is important to provide basic information about the region's tourism industry. For example, there is a tradeoff both for individuals and communities between tailoring business to cruise ship tourists or independent tourists. It is true that few Southeast Alaska Native villages – especially those most in need of economic development – are current destinations for cruise ships. In these cases there may be discussion of the costs and benefits of encourage cruise industry visitation to a community. The visitor volume offered by the cruise industry is certainly alluring. However, as discussed above, cruise ship tourists generally spend far less time in money in local communities. Furthermore, the high volume encourages outside amenity providers to enter these communities which tends to further diminish local economic benefits. Experience in Haines demonstrates both the challenges associated with high volume tourism and the fickleness of the cruise industry (Cervený, 2005). In many cases a preferable alternative to the high volume, low value model of cruise ship tourism is the low volume, high value potential of independent tourists seeking unique, authentic experiences. Given the dominance of cruise tourism in Southeast Alaska, perceptions of the tourism industry in general may be unduly influenced by this sector. While not necessarily

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advocating for alternative forms of tourism, based on the regions visitor statistics and additional market research Sealaska can ensure that communities approach the tourism decision making process with full knowledge available options

### Recommendation 3: Build Capacity and Provide Support

Nurturing entrepreneurs through the planning and startup process is an important first step. However, a small tourism operation in Alaska faces some very real challenges to long-term sustainability. Because of its remote locale and fractured geography doing business in Southeast Alaska is never easy. Transportation, food, construction supplies and energy all fetch prices that are astronomical compared to the Lower 48. Additionally, while Southeast Alaska Natives have long participated in the market economy, for many reasons business savvy and an entrepreneurial spirit are generally lacking in Native communities (Personal communication, Sealaska Director, April 29, 2013). A potential next step for Sealaska's involvement in tourism and economic development in general could be helping to minimize or overcome these challenges.

There is of course only so much that Sealaska can do to address the challenges created by the Southeast Alaska's geography. However, working from the premise that it is good for people to remain in Native villages if they so desire Sealaska has a strong incentive to do all it can. This fact has not gone unrecognized, and the corporation, again largely through the activities of Haa Aaní is currently exploring opportunities that may ultimately reduce the cost of running a tourism business. Most notable are local production of building materials and efforts to develop a variety of renewable energy technologies in the region including biomass and potentially wind, tidal and traditional hydroelectric (Sealaska Corporation, 2012a). An apparently as yet unexplored possibility would be for Haa Aaní, in collaboration with governments and nonprofits to pursue increased local food production. Such projects are only small steps towards the goal of creating sustainable communities. Broad scale success will no doubt require collaboration with

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entities outside of Sealaska. To encourage progress on a larger scale the corporation can use its significant political influence to guide encourage state and federal lawmakers to take action.

Provisions for lands suitable for renewable energy production in the pending land claims legislation suggest that this is already being done in some ways.

The challenge of encouraging entrepreneurship in Southeast Alaska Native communities is less tangible those primarily associated with geography. It has been argued that some that the accumulation of personal wealth associated with entrepreneurship in the capitalist system is incompatible with traditional Native values (Johnston, 2006). However, given the repeated observation over hundreds of years that the Tlingit are intrepid traders who have successfully balanced tradition with an evolving economy suggests that this viewpoint is invalid (Arnold, 2004, 2008; Emmons, 2002). Others have suggested that high levels of government support and employment among the region's Native population has created a dependent arrangement that perpetuates itself though a lack of private sector experience (Personal communication, Sealaska Director, April 30, 2013). Furthermore, the difficult business climate and an awareness of past failures may also discourage entrepreneurship among Natives in the region (Personal communication, Sealaska Director, April 29, 2013). While the first step might be identifying those who have the desire, but not the expertise to participate in the tourism industry, the next step is breaking down the social and psychological barriers that prevent others from engaging. Again, this is a systemic problem that Sealaska cannot address alone. It seems, however that examples of success in a community are likely to have a positive influence on other potential entrepreneurs. Thus, Sealaska can contribute by ensuring that shareholder tourism businesses succeed.

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An important way for Sealaska to contribute to ongoing entrepreneurial success is to draw upon the expertise and resources available throughout the corporation to provide support that a small business would otherwise likely not have access to. With regard to tourism, an important service that could be provided by Sealaska would be marketing. Near-term actions could include identifying new and existing shareholder-owned tourism businesses and establishing an online database available through the Sealaska website. A version of this already exists, but its use is cumbersome and it is dependent on shareholders volunteering information. An effort to increase the visibility and usefulness of this tool along with active involvement in identifying shareholder tourism businesses could greatly increase its utility. Future actions could include promotion of shareholder owned business beyond the Sealaska website. Sealaska can draw on its internal marketing experience to explore the best ways to increase visibility of shareholder owned tourism businesses, but likely avenues include partnership with the cruise ship industry, Alaska Airlines or other vacation package providers in the region. Ultimately, Sealaska could take on a role more similar to these entities in which travel packages based on shareholder owned amenities and activities could be directly marketed and sold. However, such a role would likely require Sealaska involvement beyond Haa Aanii.

### Recommendation 4: Identify and Take Advantage of Synergies

Recommendation 3 began to identify some obvious opportunities to integrate a variety of Sealaska's current and future activities with tourism; notably renewable energy production. However, Haa Aanii and SHI are undertaking a number of other projects that offer the potential for synergistic relationships with tourism. Achieving the full potential of Sealaska's involvement of tourism will require identifying and taking advantage of potential synergies. On the part of

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SHI, there is the opportunity to continually integrate cultural programs and activities in to tourism development. The construction of the Walter Sobleff Center in Juneau is a good example of what can be done. Additional involvement could include coordination with local dancers and artists to produce authentic, cultural tourism activities in the new center and throughout the region. However, cultural tourism need not focus only on the past. Culture is not static and indigenous tourism increasingly addresses issues in modern Native life (Bunten, 2010). Of the Sealaska entities currently operating in Southeast Alaska, Haa Aani possesses the greatest potential for synergy with tourism development that retains a cultural focus without ignoring the realities of cultural change.

The most immediately apparent mutually beneficial relationship between tourism and existing Haa Aani initiatives is the potential for sourcing local seafood for the tourist market. Sealaska involvement in oyster mariculture and seafood processing offers the chance to supply locally produced seafood with transportation costs to visiting consumers who are often willing to pay a premium for such products. Furthermore, there is the potential for the products themselves to become tourism attractions. Haa Aani recently hosted the first annual Oyster Fest to showcase the product being produced by the region's farms. Such an event could eventually serve as a significant draw for tourists in the region. On a more regular basis Sealaska might use its corporate headquarters in Juneau to take advantage of the large number of cruise ship tourists by hosting a farmer's market-type event during the cruise season that sells food and other products produced by Shareholders throughout the region.

A less obvious synergy might be to more directly integrate tourism in to ongoing economic activities. The potential for this effort is supported by the growth of the agritourism sector in which tourists pay to engage in activities that would traditionally be considered work

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(Phillip et al., 2010). In the context of Native Southeast Alaska and ongoing efforts on the part of Haa Aanii, a variety of possibilities come to mind including mariculture tourism, subsistence tourism and dude fishing. Mariculture tourism could conceivably turn oyster farms in to tourist attractions and provide tours or the opportunity for visitors to participate in the harvest. An example of this exists in Australia where the South Australia Aquaculture Trail guides tourists to a number of operations offering a range of tours, tastings and activities (Australia.com, 2013). Of these three examples, subsistence tourism is the least developed, but also may possess the greatest potential. Allowing for continued participation in a subsistence lifestyle is an important requirement for indigenous economic development in Southeast Alaska. The possibility of combining the cultural and economic importance of subsistence activities with cash income deserves additional attention. Appendix E provides further discussion of some of the possibilities. A few of the more obvious possibilities in Southeast Alaska would be providing for observation of, or participation in the harvest of salmon or other fish, gathering and cooking with traditional ingredients and the collection and use of materials for traditional arts and crafts.

As noted previously in this thesis, commercial fishing historically represented an opportunity for Southeast Alaska's Natives to participate in the cash economy in a culturally relevant way (Arnold, 2004). However, over time the opportunities for the region's Natives to participate in commercial fishing have dwindled. The most recent major change to impact Native participation in fisheries was a shift to a limited entry management system in the 1970s (Dombrowski, 2001). This system sharply decreased the number of boats participating in local salmon and halibut fisheries while introducing the significant cost of obtaining a permit. Pushed out of the fisheries were mostly those who fished part time to supplement subsistence activities; a group that many Natives fell in to (Arnold, 2008). As a result, in most Southeast Alaska

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communities there is very little Native ownership of fishing vessels or permits (Dombrowski, 2001). Recognizing this fact, Haa Aaní is currently exploring options for aiding Native reentry in to the fisheries (Sealaska Corporation, 2012b). Through Haa Aaní there is the possibility for collective ownership and leasing of the needed, but currently prohibitively expensive permits and quota required to fish. Both under this model or one of private ownership a type of tourism known as dude fishing has the potential to increase the viability of renewed involvement in fisheries (Miller & Macinko, n.d.).

Overall, dude fishing is an extremely underdeveloped component of the tourism industry. However, a clear willingness on the part of tourists to pay for fundamentally similar experiences such as agritourism and charter fishing suggests significant potential for the industry (Phillip et al., 2010). Indeed, several dude fishing-type outfits are currently offering a range of tourist commercial fishing experiences in Alaska. These include salmon trolling (Daniels, 2013), salmon gill netting (AlaskanWild.net, 2008), crabbing (56 Degrees North, 2013) and halibut longlining (Stolpe, 2011). Dude fishing draws its name from the idea of the ‘dude ranch’ where a novice visits for pleasure to participate in an activity under the guidance of experts (Miller & Macinko, n.d.). In the context of commercial fishing, the willingness to pay by tourists to participate as laborers on a fishing boat can greatly alter the financial equation faced by a boat owner. Of course, not all commercial fishermen will be capable tour guides, but for those willing to tolerate the tourist’s presence, a supplementary revenue stream may be available. The types of tourism described here can be integrated with cultural aspects to collectively tell an authentic story about the realities of modern Native life.

Recommendation 5: Collect, Develop and Share Ideas

The types of tourism described in Recommendation 4 are likely not the first that come to mind when thinking about Native cultural tourism. This however should be seen as a good thing given the ever diversifying tourism market. While opportunity will always exist in the tried and true products such as lodging and guiding, novel ideas should greatly increase the potential for tourism development. Encouraging innovation is not best achieved through passive model of tourism development in which potential entrepreneurs must approach Sealaska for assistance. While such a model has been suggested as a place to start, to encourage novel ideas it would be more useful for Sealaska to be a source of ideas as well. The corporation has much more capacity and experience to research existing opportunities than any one individual. Furthermore, Sealaska could serve as a clearinghouse of tourism ideas to encourage knowledge transfer between communities.

This recommendation encourages identifying and seizing an option that exists between Sealaska taking full control over tourism development and waiting passively for ideas to originate from the community level. Through a combination of market research on the part of Sealaska, solicitation of ideas from shareholders and development of novel ideas such as subsistence tourism or dude fishing it would be possible to establish a large realm of possibility for what might work in local indigenous tourism. Indeed, the process of presenting tourism options to a community seems quite compatible with Haa Aani's current approach to development. Through this process it is possible to think big while maintaining a relatively small investment of time on the part of Sealaska.

Recommendation 6: Think Big

This final recommendation encourages a willingness to consider Sealaska's involvement in tourism beyond a role of promoter/ manager. When the first leaders of Sealaska surveyed what had been provided to the Native Peoples of Southeast Alaska through ANCSA they saw tourism as a potentially driving force behind the prosperity of a people (Sealaska Corporation, 1974). While these high hopes for tourism have not been realized, it is by no means too late. Vast amounts of money are spent by people who want nothing more than to see and experience Southeast Alaska. Many of these people are specifically interested in meeting the Native peoples of the region. And yet, much of the money that is spent to achieve these goals ultimately ends up far from Southeast Alaska and the communities that so badly need it because of distant ownership of tourism infrastructure and amenities. This recommendation does not advocate that Sealaska immediately make a significant financial investment in an already crowded Alaska tourism market. Rather, it suggests an increased openness to and discussion about how the corporation can begin taking strategic action to ensure an increasing proportion of the region's tourism dollars end up with Alaska Natives.

This recommendation also advocates for thinking big with regard to the types of tourism pursued. There is no need to be constrained by what has been done before or by existing categories of tourism. Cultural tourism and ecotourism have been and continue to be popular paths for indigenous tourism development. However, each of these terms has its own history and connotations that influence tourist expectations and thus what types of products can be offered. A preferable alternative to the use of these terms is to embrace indigenous capitalism as an essentially blank slate and ask: how can native culture, traditions and values be integrated across a range of tourism types and products? Such an approach allows for a huge amount of flexibility

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and offers the opportunity for Sealaska to define just what indigenous tourism can be. This section concludes by offering a vision of what thinking bit in indigenous tourism might look like for Sealaska:

From Juneau, a mix of cruise ship passengers and overnight guests board a private fast ferry. During the 45 minute journey a Native interpretive guide introduces visitors to the region and local Native culture. Traditional uses and names of wildlife and geographic features are described. Passengers struggle to pronounce the voiceless L in Tlingit and *gunalchéesh*. Passing by Sealaska forest lands the guide describes the local timber industry and the corporation's role in managing sustainable timber harvest. Rounding a rocky, driftwood strewn point a small settlement at the head of the fjord first comes in to view. Smoke rises from a cluster of large structures huddled along the shoreline. A group of traditional clan houses, each one designed and decorated by representatives from a different native village in the region line the shoreline. Each house displays the crests of multiple clans, a departure from tradition that demonstrates evolving social relations in Native Southeast Alaska explains the guide. While for a moment the settlement may appear stuck in time, a long pier just to the north belies this fantasy. A small marina holds an eclectic mix of private, charter and commercial boats.

It is not until the ferry slows and approaches the pier that the true scale and nature of the settlement begins to emerge. Groups bustle in and out of the clan houses and take pictures in front of an impressive display of totem poles. Others follow guides along the beach or near the edge of the forest gathering seaweeds or cedar bark. Flashes of reflected light from amongst the trees reveal a series of buildings and tree houses among the towering cedar and hemlock. The overnight guests begin to point and talk excitedly, trying to identify which of the accommodations is theirs. Disembarking, passengers walk past a large smokehouse in which

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workers are busy preparing traditional and modern preparations of the region's rich seafood resources. The day visitors are led to a meeting area among the clan houses where they form smaller groups destined for a variety of activities. The overnight guests head up from the beach and in to the forest where a network of secluded cabins, yurts and tree houses are connected by paths that nearly disappear in to the understory. Ahead, a building of cedar and glass is at once imposing and inconspicuous. The building is the center of life in the settlement and holds a lobby, restaurant, spa, large and small meeting spaces and additional accommodations. Native art from the region decorates the walls and ceilings throughout the building.

Checking in, guests are offered an impressive variety of activities to sign up for. Some are more familiar such as the native dance and music performances by visiting groups from throughout Southeast Alaska that take place in the clan houses. Fishing trips pursuing a variety of species are led by Native guides who provide a unique perspective on modern and traditional fishing practices. Spa treatments use products derived from local ingredients and traditional medicines produce in Southeast Alaska. Less expected options include excursions to nearby villages and subsistence camps to participate in the harvest and processing of salmon or eulachon, or the chance to haul a halibut longline or salmon gill net on a commercial vessel. Other guests may elect to go on a nature walk with a Native guide to gather edible or fibrous plants. Later the same guests might learn to prepare traditional foods or learn basic weaving skills with the day's harvest. That evening, guests dine on local delicacies produced in Native communities throughout the region. Fresh oysters and salmon are accompanied by less familiar ingredients foraged from forests and beaches. For adventurous guests a variety of traditional dishes are available. Those who have had success fishing, hunting or foraging earlier in the day

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have the opportunity to dine on their harvest. On special occasions dinner may be accompanied by a performance or storytelling.

Beyond the tourist's gaze there are many other aspects of the operation that differentiate this development from those run by non-natives. A strong Native-hire preference is supported by extensive recruiting and training programs throughout the region. Highly flexible schedules and transportation support helps employees fulfill family and subsistence commitments while also earning a cash income. For the most part, guides, performers and other amenity providers are independent contractors working on their own schedule and provided marketing and booking services through the resort. The development encourages other, in-village economic activities by sourcing as many foods and other goods from local communities as possible.

This vision is of course quite fanciful. The specifics are largely guided by the author's interests, and a collective planning process would no doubt identify some components as unrealistic, unprofitable or undesirable. However, the same process would likely also identify a variety of other possibilities that have not been thought of here. The specifics are ultimately less important than the underlying model. Under this model of tourism development Sealaska would undertake a capital intensive project expected to be profitable on its own. Using this development as a centerpiece, the corporation would then develop a network of independent, shareholder-owned businesses to supply provisions and amenities. Under this model there would be a wide variety of potential economic opportunities beyond direct employment at the Sealaska-owned development. These could range from serving as a regular supplier of seafood, game or foraged foods to providing freelance transportation services to occasionally welcoming tourists at a fish camp. Economic impacts would be expected far beyond the development as it would serve as a market for goods and services that could be produced in the region.

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Undertaking this model of tourism development will required drawing upon resources from throughout the corporation (See figure 13); it is by no means a short term goal. Though the recommendations provided above generally focus on a promoter/ manager role for Sealaska, following these recommendations will go a long way toward building support and capacity for future development. Encouraging local entrepreneurs to engage with the tourism industry or complementary industries in the short-term will ensure a core groups of providers exists when development of the focal property becomes possible. Furthermore, support for development should be increased as such businesses recognize the potential to serve the demand produced by a Sealaska project. Ultimately, this model allows for a great deal of flexibility in how Sealaska chooses to engage with tourism. However, without a willingness on the part of corporate leadership to think big with regard to tourism the potential of this model will not be realized. Today, the size and strength of the Southeast Alaska tourism industry is a reminder of a missed opportunity for Sealaska Corporation. With a willingness to think big this need not be the case in the future.

## Conclusion

This thesis has considered the interaction between tourism and economic development in the context of Sealaska Corporation's engagement with indigenous capitalism. Following the Introduction, Part I introduced key concepts including economic development and indigenous capitalism (Chapter 1), tourism theories and varieties (Chapter 2) and the case study method of qualitative research (Chapter 3). Part II presented a case study of Sealaska Corporation, its historical relationship with economic development in Southeast Alaska, and its potential, future involvement in regional tourism. Chapter 4 described the research methods and guiding questions used in the case study. Chapter 5 provided background information on Southeast Alaska and Sealaska. Chapter 6 reviewed Sealaska's historical involvement with economic development, and Chapter 7 considered the future potential for Sealaska to influence regional development through tourism investment. This Conclusion considers the broader implications of this research and provides suggestions for future study.

By engaging with tourism, Sealaska Corporation is offered an opportunity to promote economic development that can be environmentally sustainable and culturally relevant. Looking forward, the company can pursue a wide variety of goals including the three that serve as the foundation of indigenous economic development through various involvements in the industry. Furthermore, through tourism Sealaska has the opportunity to share its message with a wider audience and in doing so increase outside understanding of the corporation. Recent events in Sealaska's history including the founding of Haa Aaní, LLC and the pending *Haa Aaní* land legislation represent a fundamental shift in the ways that Sealaska can participate in economic development in general and tourism in particular. These events suggest a willingness to explore new opportunities that can help Native shareholders remain in their homeland while leading

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economically sustainable and culturally fulfilling lives. While the future remains unwritten, the combination of this willingness to engage and obvious opportunity for involvement encourages optimism with regard to the corporation's potential entry in to the tourism industry. Thus, at a practical level it seems highly likely in the case of Sealaska and Southeast Alaska Native communities that tourism can play a role in indigenous economic development. However, tourism also has the potential to do more than just play a role.

As a part of ANCSA, the largest experiment in indigenous capitalism ever conducted, Sealaska today can be considered one data point in a larger work in progress. From this perspective it is clear that Sealaska has significant room for improvement with regard to the economic development goals of the legislation. As identified in Chapter 6, many of the most difficult challenges faced by Sealaska arise from efforts to balance dual promise of subsumption and self-determination offered by ANCSA and its system of indigenous capitalism. While the company possesses and publicizes a mitigating value system, effectively integrating Native values in to the company's actions is an ongoing effort. Tourism seems unique in its ability to simultaneously address multiple, sometimes competing goals that arise under indigenous capitalism. This is not to say that tourism is a panacea or that it should become Sealaska's primary business focus. Rather, it seems that strategic tourism investment may offer Sealaska, and others involved in indigenous capitalism for that matter, an opportunity to ameliorate the tension that results from engaging with capitalism while maintaining cultural identity.

Tourism can help to address this issue in many ways. First, from a practical perspective the growth of tourism can serve as a strong incentive to approach management of Native lands from a more holistic perspective. Sealaska has often cited the difficult decisions that have been made regarding timber harvest and outside observers have been critical of the company's land

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use and forestry practices. However, it is difficult for the company to proactively address these issues because it currently has no integrated management plan for its lands. Sealaska's land must at once serve as a Native homeland and as a working forest while accommodating future economic opportunities. It is therefore extremely important to strategically consider which areas are best suited for different purposes. The recognition of tourism value, and the process of identifying and cataloguing lands potential tourism sites should serve as another incentive to develop an integrated land management plan.

Second, tourism can create local demand for a variety of goods and services that offer culturally relevant employment opportunities. An important impediment to successful indigenous economic development is an incompatibility between opportunities and human capacity. While education and training are important and can offer new opportunities for some, there are many people, Native and non-native alike, for whom employment inconsistent with their culture and values is no opportunity at all. The stereotypical tourism industry job is menial and low-wage, but this need not be the case. A growing sector of tourists seeking deep, authentic experiences offers significant potential for low volume, high value tourism development that requires a different type of employee or proprietor altogether. And beyond those directly interacting with tourists, there is the opportunity for Native peoples to supply locally produced goods and services to serve demand generated by the industry.

Finally, indigenous tourism offers the ability to bridge culture divides. Indigenous peoples are frequently stereotyped and usually misunderstood. The opportunity to clarify and share a message and story about modern Native life can lead to greater understanding of and support Native political and economic efforts. Sealaska is practicing indigenous capitalism in an unprecedented way, but it has been difficult for Sealaska to convey this fact. At present, the

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corporation appears to be content taking a defensive posture in debates that arise about its lands, investments and operations. Sharing information through tourism can be a step towards proactively publicizing Sealaska as a corporation and caretaker of Tlingit, Haida and Tsimshian homelands.

This thesis focused on the intersection of tourism, indigenous peoples, capitalism and economic development. In some ways Sealaska represents a unique case. There are after all only a handful of directly comparable corporations in the world. No doubt the recommendations and conclusions that have emerged from this research will generally apply to other Alaska Native corporations. Other indigenous economic development efforts could also certainly benefit from portions of this work. However, the applicability of the story and lessons that have surfaced in this research are not limited to indigenous populations. At a more basic level, this thesis has explored an effort to maintain a way of life that eludes economic valuation and is thus marginalized by a capitalist system. It has asked the question: recognizing that certain ways of life have value beyond that which can be measured in economic terms, what can be done to protect them in the face of an economic system that does not recognize this value? For the small boat fisherman, the independent farmer and the Alaska Native village resident the answer to this question is of paramount importance. In the case of the Tlingit, Haida and Tsimshian of Southeast Alaska protecting a way of life has required engaging with the system that marginalized them in the first place. The tension that arises when a group must risk assimilation to protect its identity is a profound one. In the end, maintaining identity may require strategic concessions to the homogenizing tendencies of capitalism.

It might be pessimistic to accept the logic of capitalism as a given rather than trying to change it. However, due to the embedded and pervasive nature of the system, it seems far more

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practical to productively engage with capitalism than to hide from it. Accordingly the recommendations presented in this thesis focus on extracting benefits from the interaction with capitalism while allowing for cultural relevance. Perhaps more than anything else, the recommendations call for a focus on innovation. Innovation can be challenging because it implies change. For many, especially in the Native community, cultural change has never been a good thing. Thus, innovation necessitates overcoming the fear and nostalgia that leads to the conflation of change with decline or demise. Contrary to the hopes and beliefs of some, culture is never static and to avoid change entirely is to welcome obsolescence.

In the case of Sealaska as in the case of the fisherman who as a result of changing regulations can no longer afford to fish, innovation is key to survival. In each case moving on is an option, but it would come at the cost of identity. It is those individuals and groups of people willing and capable of understanding and strategically engaging with the systems that threaten their very survival that may ultimately stand the best chance of maintaining distinct identity in the world of global capitalism. Along the coasts, where layers upon layers of meaning create a thick varnish these stories will be most common. Capitalist rationality and the logic of economic efficiency can only take us so far in managing coastal lands and resources. Until a system emerges that is truly capable of recognizing value beyond economics, innovation and selective engagement represents the best option for those living embattled ways of life.

Throughout the process of researching and preparing this thesis the scope of the study continued to grow. As a result, many areas have received far less attention than they deserve. A plethora of future research needs have therefore emerged from the conclusions and remaining questions of this thesis. For Sealaska, important next steps could include surveying the region's Native villages to measure perceptions of the tourism industry and gauge interest in partnering

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with Sealaska to pursue development, or conducting market research to estimate demand for innovative indigenous tourism products. Future studies of indigenous capitalism are necessary to contribute to the continued development of the Theory of Indigenous Capitalisms. A comparative case study of indigenous capitalism in Alaska Native regional and village corporations could achieve this goal while also serving to evaluate the progress made under ANCSA. Another important effort would be documenting coastal communities throughout the United States that are declining due to land and resource management decisions. An empirical study could then be conducted to compare outcomes based on community response. Such a study could serve to test this case study's conclusion that innovation is important to survival. Admittedly, this research has identified more questions than answers. Nevertheless, it is hoped that the work presented here can help to improve Sealaska's success in promoting economic development in Native Southeast Alaska.

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## Appendix A – Research Protocol

**Note:** This research protocol was developed at the beginning of the case study following the recommendation of Yin (2009) to think fully through the case study process and develop a written guide. The purpose of this protocol is discussed further in Chapter 1. A great deal of evolution occurred during the process of actually conducting the case study, and thus there are significant differences between what is presented here and what is discussed throughout the thesis. These should not be understood as inconsistencies, but rather as a reflection of the natural evolution of methods and analysis that can occur during case study process.

### 1) Purpose and Theoretical Framework

This case study examines the economic development strategy of an Alaska Native corporation with two main purposes. First, the instrumental goal of this study is to explore the concept of “indigenous capitalism” and what it means in practice. Adoption of capitalism and accumulation of wealth by native peoples is an extremely controversial topic. Non-natives and natives alike have vocally criticized indigenous groups when they have achieved success in the economy of the dominant society. Ultimately the question seems to be whether or not native people can engage in capitalist pursuits without undermining fundamental aspects of their culture. Implicit in this argument is that when indigenous groups turn to capitalism its ideals overwhelm those of native culture. However, this argument seems to conceive of native culture as static, fragile and passive. Bunten (2011) instead offers the Theory of “Indigenous Capitalisms”. She argues that rather than being superseded by capitalist ideals, native values have modulated the capitalism of the dominant society in unique ways, and that these indigenous forms of capitalism are indeed distinct from the mainstream form. Indigenous capitalisms however remain poorly understood and just what defines indigenous capitalism is far from resolved.

In *A Call to Attention for Indigenous Capitalisms* Bunten (2011) proposes three potentially defining features of indigenous capitalism including: (1) historical and political relations of incorporation; (2) mitigating value systems; and (3) a dual promise of subsumption and self-determination. While others have observed and described indigenous forms of capitalism (see Hosmer and O’Neil 2004 and Harmon 2010), Bunten’s theory of Indigenous Capitalisms is unique insofar as she offers some general explanations for *how* indigenous capitalism is distinct from the capitalism of society at large. By utilizing Bunten’s theoretical framework this case study will be able to go beyond simply providing another description of indigenous capitalism. Because this is a nascent theory the research will be guided by its implicit propositions, but also be reflexive and attempt to evaluate the durability of the theory. By comparing empirical data collected during the study with propositions about what should be expected under this theory of indigenous capitalisms the framework will be tested. Thus, the study will be a dialogue between theory and data as it explores what it means to be a native corporation.

The instrumental goal of the study described above is meant to inform the intrinsic objective of the research. Ultimately, this research is intended to evaluate tourism as a potential economic development strategy for Sealaska Corporation. By first considering how Sealaska is impacted by its status as a native corporation it is expected that a more complete understanding of the potential benefits and risks of tourism will be developed. In the context of indigenous

communities tourism has been described on a spectrum ranging from driver of sustainable development to driver of cultural and ecological destruction (Butler and Hinch 1996). Despite the potential negative outcomes of tourism perceived by some, many indigenous communities in Alaska and around the world have pursued tourism as a driver of economic development (Reid 2003). Sealaska Corporation is the largest private landowner in Southeast Alaska and is located at the epicenter of the Alaska cruise industry. However, despite a seemingly strong position in the market and the proliferation of indigenous tourism globally Sealaska has not made a significant effort to develop tourism. Thus, the study will progress from asking “what does it mean to be a native corporation”, to considering if Sealaska’s status as a native corporation has impacted the decision to not pursue investment in an ostensibly profitable, local driver of economic development. It is expected that by developing a rich understanding of the context in which Sealaska would pursue tourism the most thoughtful and useful recommendations can be made.

The unit of analysis for this study will be the rural economic development strategy employed by Sealaska Corporation in the villages that fall within the company’s service area. The strategy has been selected as the unit of analysis for several reasons. First, Sealaska is a large corporation with many subsidiaries involved in diverse industries. Not only would it be an extremely large undertaking to consider all components of Sealaska, but it seems unlikely that any other component of the corporation would provide as direct an avenue to understanding indigenous capitalism. The fact that a corporation actively pursues rural economic development and has a strategy for doing so immediately distinguishes it from average businesses and mainstream capitalism. Additionally, it is expected that the implicitly localized nature of the rural development strategy will concentrate evidence of how Sealaska’s status as a native corporation impacts business operations. While evidence of indigenous capitalism likely permeates throughout the corporation, in the context of the subsidiaries and investments more ingrained in the capitalism of the dominant society examples of indigeneity are expected to be more diffuse. Thus, given limited resources and time and the exploratory nature of the research, for efficiency this study will be limited to analysis of Sealaska’s rural economic development strategy.

## 2) Data Collection Procedures

As noted previously, the case in this case study is Sealaska Corporation’s strategy for rural economic development. Wade Zammit, the president and CEO of Sealaska Timber Corporation (a wholly owned subsidiary of Sealaska) will be the contact person within the company. Because Sealaska Corporation is headquartered in Juneau, AK, data will generally be collected remotely. However, occasional visits will be made to the company’s satellite office in Bellevue, WA and when possible interviews will be conducted in person at this location. This case study will rely on verbal and written data sources. Semi-structured interviews will be used to collect oral accounts and interpretations of events and company actions. Written evidence collected will include company strategic planning documents and annual reports, government reports, newspaper articles and academic literature. Publicly available documents will be obtained using internet searches. Internal company documents will be obtained with permission through the contact person, Wade Zammit. Interviews will be directed by an interview guide, but will not be restricted by the guide [Appendix B]. Interviews will be digitally recorded and the most relevant portions will be transcribed. Interviewees are expected to include company

managers and directors with a range of experience at the company. While long tenured informants may provide valuable insight in to past events newer hires may have a more forward looking orientation and provide a contrasting perspective.

### 3) Research questions

- *How does Sealaska's rural economic development strategy reflect the features of indigenous capitalism described by Bunten (2011) which include (1) historical and political relations of incorporation; (2) mitigating value systems; and (3) a dual promise of subsumption and self-determination?*

This question is intended to examine what it means to be a native corporation and to test the propositions of the Theory of Indigenous Capitalisms. This will be achieved by first asking: What is Sealaska's strategy for economic development in its remote communities and how has it changed over time? Evidence of a rural economic development strategy will be collected from the federal laws that regulate Alaska Native corporations, company plans and reports that describe operations and investments and from interviews with managers, employees and board members familiar with company history and current operations. Evidence that will help to define Sealaska's development strategy may include:

- Shareholder distributions
- Investments in rural businesses
- Partnerships with village corporations
- Education investments including scholarships, internships and training
- Meetings or events with rural shareholders
- Investments in cultural programs
- Legal actions or legislative efforts to secure or protect shareholder and land rights

Next, it will be asked: how are the actions and initiatives that comprise the economic development strategy influenced by Sealaska's status as a native corporation? Evidence for such influence might include:

- Special legal rights, requirements or limitations
- Direct reference to culture or native values in company documents, logos and other visual materials.
- Expenditures on cultural programs and events
- Critical review of Sealaska's investments/ actions in newspapers or other popular literature
- Profit redistributions systems

Together the answers to these sub-questions will provide the basis for describing how indigenous capitalism (specifically the interaction between indigenous economic development and Western capitalism) is manifest in Sealaska's development strategy. Then, this description can be compared to the propositions of Bunten's Theory of Indigenous Capitalisms in order to answer the overarching research question.

- *Can local investment in tourism support Sealaska's rural economic development efforts?*

This question represents the second primary focus of the study. Put simply, the intention is to determine if, given internal and external conditions local investment in the tourism industry by Sealaska can contribute to achieving the goals of the economic development strategy. The first step in answering this question will be developing a sufficient understanding of internal and external conditions that might influence the success of tourism investment by Sealaska. External factors will be explored by describing the magnitude and character of the Southeast Alaska tourism industry. Sources of evidence that will inform this description may include:

- Government reports and statistics
- Industry reports and statistics
- Manager and board member perceptions of the market
- Tourism investment (and performance) by other Alaska Native Corporations

Next, answering this question will require a consideration of internal characteristics that may affect the success of tourism development. Because of factors including the proliferation of indigenous tourism globally, Sealaska's significant land holdings and the growth of the Alaska tourism industry it seems that investment in tourism would be a rational choice for a profit-maximizing corporation. However, in its 40 year history Sealaska has not made such an investment. Thus, it must be asked: why has Sealaska not invested in tourism? At present there is insufficient evidence to support any specific answer to this question. Thus, perspectives on this question will be solicited from interview participants at which point sources of potentially corroborating or confounding evidence will be identified. Answering this question will help to identify any underlying incompatibilities that may limit the usefulness of tourism as a driver of economic development.

Finally, answering the overarching question will require synthesizing information on internal and external conditions with the structure and goals of Sealaska's economic development strategy. Thus, the development strategy which will be identified and characterized under the first research question will serve as the normative measure by which the appropriateness of tourism development can be evaluated. When considered in the context of this strategy, internal and external conditions will present unique opportunities and challenges for Sealaska. Recommendations will be developed by comparing these unique opportunities and challenges with the experiences of other indigenous tourism development efforts that have been reported in the literature.

#### 4) Outline of Case Study Report

The case study will be reported in the form of a master's thesis. The primary audience for the report will be the thesis committee. However, a secondary audience will be representatives of Sealaska Corporation and its subsidiaries. Ultimately the report must meet the requirements of the SMEA master's thesis, but also be in format useful for informing Sealaska business decisions. Overall the report will follow a linear-analytic format but also employ nested comparative and chronological structures (Yin, 2009). The report is expected to be comprised of two parts each with several chapters:

##### ***Introduction***

##### ***Part 1 –Conceptual Background***

- 1) indigenous capitalism and Indigenous Capitalisms

## Appendix A – Research Protocol

- a. A Brief History of American Indian and Alaska Native Economic Development
  - b. Development versus Culture or Culture through Development?
  - c. Sovereignty, Citizenship and Self-Determination
  - d. The Theory of Indigenous Capitalisms
- 2) Principles and Relevant Forms of Tourism
    - a. The Broker-Local-Tourist Sociological Model
    - b. Mass Tourism
    - c. Cultural and Heritage Tourism
    - d. Eco-Tourism
    - e. Indigenous Tourism
    - f. Tourism and Development
  - 3) The Case Study Method
    - a. Common criticisms
    - b. Addressing Validity
    - c. Comments on Generalizability
    - d. Data Collection and Analysis

### ***Part 2 – Case Study: Indigenous Capitalism in an Alaska Native Corporation***

- 1) Study Design and Research Questions
- 2) A Brief Review of Southeast Alaska Native History
  - a. Traditional Social Structure and Economy
  - b. Contact and Conflict
  - c. Statehood, Land Claims and ANCSA
- 3) Sealaska's Economic Development Strategy over Time
  - a. Impacts of ANCSA Provisions on Development
  - b. Natural Resource Investments and the Founding of Sealaska Heritage Institute
  - c. Timber Troubles, Diversification and Expansion
  - d. Haá Aáni and Values in Action
- 4) Observations of Indigeneity in Sealaska's Development Strategy
  - a. The Influence of "Native" in an Alaska Native Corporation
  - b. Sealaska and the Theory of Indigenous Capitalisms
- 5) The Conspicuous Absence and Future Potential of Sealaska Tourism
  - a. The Alaska Tourism Industry
  - b. Sealaska's Choice to Abstain
  - c. Opportunities and Challenges
  - d. Recommendations for Tourism Development

### ***Conclusion: Indigenous Capitalism through Tourism?***

## Appendix B – Interview Guide

Guiding Research Question	Potential Interview Questions
Background information	What is your role at Sealaksa? Have you had other roles?
	How long have you worked for Sealaska?
	Are you a shareholder?
	Were you born in Alaska, have you lived in rural Alaska?
	Can you briefly describe your professional background?
	Have you been directly involved in rural development efforts sponsored by Sealaska? (Planning, managing, evaluating, etc.)
Are the strategies and actions of Sealaska Corporation consistent with the features of indigenous capitalism?	In your own words, can you provide a brief summary of the mission of Sealaska Corporation?
	Do you find that Sealaska’s status as a native corporation is reflected in the everyday operations of company?
	Do you find that Sealaska’s status as a native corporation is reflected in the strategic planning of the company?
	Do you find that Sealaska’s status as a native corporation is reflected in the investments of the company?
	During your time at Sealaska have you observed any change in the degree to which Sealaska’s status as a native corporation has been reflected in any aspect of the business? If so, can you think of specific meetings, personnel changes or other events that led to these changes?
	Does being a native corporation influence the perception of the company by clients or other companies? How so? Have perceptions change over time?
	Are you familiar with the formal mission of Sealaska corporation? Can you summarize the mission? (Then provide participant with a copy of the statement or read the statement). Do you find that the operations, investments and strategies of Sealaska are consistent with this statement?
What is Sealaska’s strategy for economic development in its remote communities and how has it changed over time? How is this strategy influenced by its status as a native corporation?	Thinking specifically about Sealaska’s remote communities, describe the company’s strategy for economic development. (Distributions, local subsidiaries, encouraging entrepreneurship?)
	Based on your understanding, what are Sealaska’s responsibilities with regard to economic development in its villages?

	In your opinion, and based on Sealaska’s current structure and capabilities, what kinds of economic development efforts is the company most suited to undertake ( Distributions, local subsidiaries, encouraging entrepreneurship?)? Least suited?
	Has the economic development strategy changed over time?
	In your opinion has the economic development strategy been successful? Why or why not?
	In your opinion what are the primary needs of the villages with regard to economic development?
	What challenges do the villages face with regard to economic development?
	Do you find that Sealaska’s status as a native corporation influences its economic development strategy? Why or why not?
	Does Sealaska’s economic development strategy give consideration to subsistence activities? How?
Given the proliferation of indigenous tourism globally and the strength of the Alaska tourism industry, why has Sealaska not invested in tourism?	To your knowledge has Sealaska ever made any direct, local investment in tourism or hospitality industries?
	Have you ever heard tourism discussed as a potential investment for Sealaska? Was it in a formal or informal context? If so, what types of tourism development were discussed?
	Has there been discussion of tourism development in relation to rural economic development? If so, what are the expected benefits of tourism development to the villages?
	Has tourism ever been compared to other potential investment opportunities? If so, what were they and did the company pursue the other ventures?
What unique opportunities and challenges does Sealaska face in entering the tourism industry?	In your opinion, are there any significant challenges that Sealaska would face in entering the tourism industry?
	Based on your understanding of Sealaska’s capabilities and the Alaska tourism market, do you think tourism would be a good investment for Sealaska? Do you think such an investment could contribute to rural economic development?
	Do you perceive any advantages that Sealaska might have in the tourism market?
	Do you think that Sealaska’s status as a native corporation impacts its potential success in the tourism industry?
	Do you have any other ideas for potential Sealaska investments that would support rural development? Are they compatible with tourism development?

## Appendix C – Human Subjects Division Determination



Date: February 20, 2013

PI: Mr. Michael Tillotson,  
Marine and Environmental Affairs

CC: Dr. Marc L. Miller

Re: Exempt Status Request #44576,  
*"Indigenous Capitalism through Tourism?: A Case Study of Indigenous Economic Development in Southeast Alaska"*

Dear Mr. Tillotson,

The Human Subjects Division received the above-named Exempt Status Request on 2/11/2013. This application has been screened by HSD staff. As the application describes, this activity involves a case study of one company (Sealaska Corporation). The case study will consist of analysis of publicly available documents, and interviews with Sealaska affiliates. You have confirmed that the primary purpose of the project is to evaluate the operations of one company with the goal of providing recommendations on their investments and operations.

Based on this information and the definition of "research" under 45 CFR 46.102(d), the UW Human Subjects Division has determined that this activity does not meet the federal definition of "research." This determination means that the activity is not subject to 45 CFR 46 and does not require review by the IRB. Please keep a copy of this letter for your records.

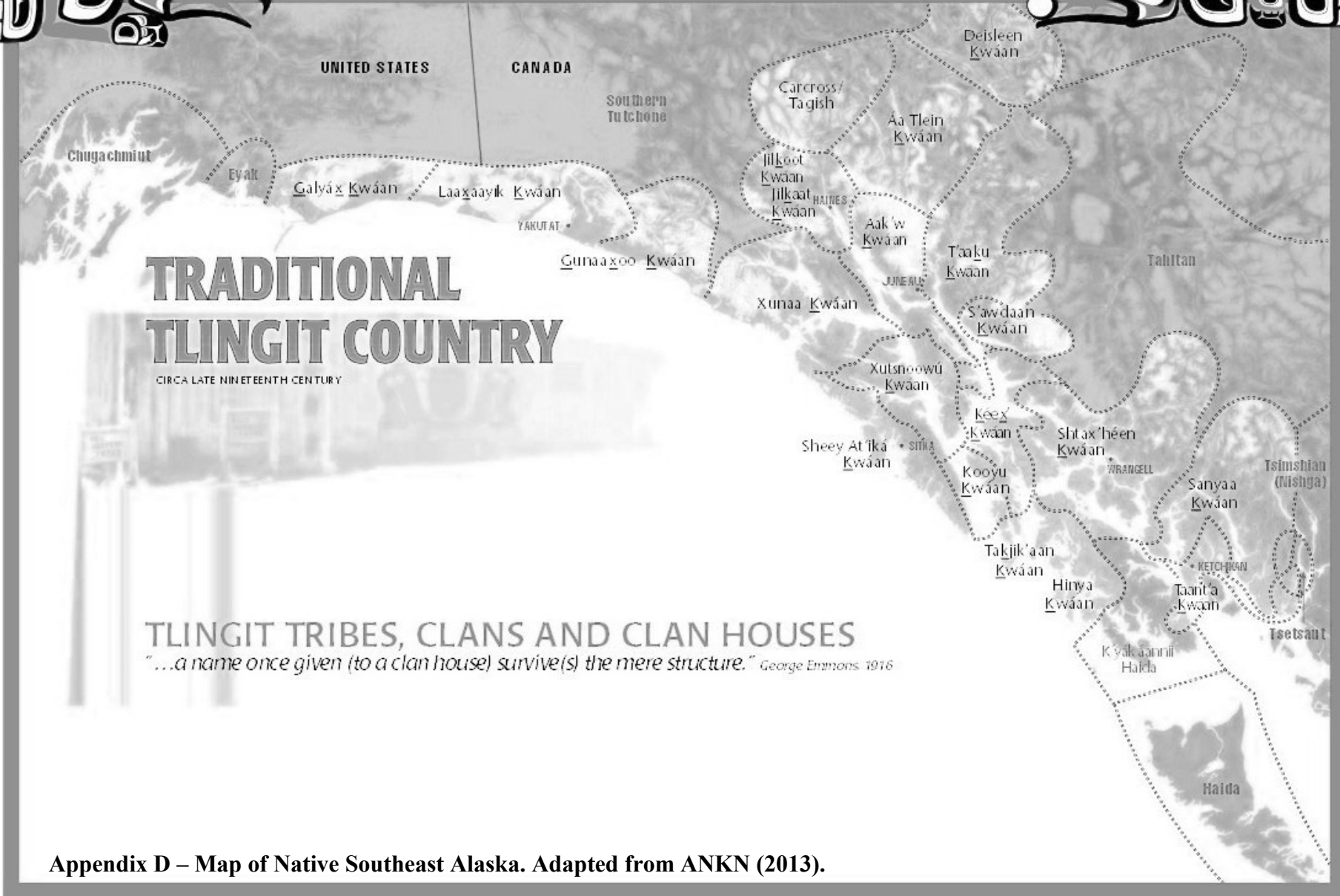
If you have further questions or concerns, feel free to contact me.

Best regards,

Laurie E. Berger  
Human Subjects Review Administrator  
(206) 543-3033  
[lberger@u.washington.edu](mailto:lberger@u.washington.edu)

4333 Brooklyn Ave. NE, Box 359470 Seattle, WA 98195-9470

main 206.543.0098 fax 206.543.9218 hsdinfo@u.washington.edu [www.washington.edu/research/hsd](http://www.washington.edu/research/hsd)



Appendix D – Map of Native Southeast Alaska. Adapted from ANKN (2013).

## Appendix E – An Introduction to Subsistence Tourism

**Note:** A novel type of indigenous tourism – subsistence tourism – is referenced in several sections of the thesis. This appendix presents an earlier paper prepared by the author that gives consideration to what might be included in the category of subsistence tourism.

### 1. Defining *Subsistence Tourism*

*Definition: Subsistence tourism is a type of indigenous tourism that shares culture and heritage through the tourist's observation of, and participation in the sustainable harvest of renewable natural resources.*

In order to understand, discuss or analyze any new concept it is necessary to first provide a definition of what 'It' is and what 'It' is not. Considerable debate has accompanied the emergence of several new types of tourism (i.e. ecotourism: Weaver and Lawton 2007, volunteer-tourism: Tomazos 2010, agritourism: Phillip *et al.* 2010). Multiple competing and conflicting names and definitions make formal analysis and planning more difficult and may also influence marketing, customer expectations and satisfaction. An additional concern in defining subsistence tourism is that both words – 'tourism' and 'subsistence' – can be controversial. Both are subject to multiple interpretations, and in combining them there is no doubt the potential to offend or upset.

In order to avoid such ambiguity, subsistence tourism must be well defined before any analysis of its potential in specific areas can be considered. Subsistence tourism will be defined herein by first presenting a conceptual model of tourism followed by a brief review of related forms of tourism including indigenous tourism; cultural and heritage tourism; and consumptive natural resource tourism. The concept of subsistence will be introduced and the multiple definitions of the term will be considered. Similarities in the economic structure of subsistence tourism and agritourism will be explored and "dude fishing", a relative of subsistence tourism will be considered in the context of serious leisure.

#### 1.1 Broker-Local-Tourist (BLT) Model

*Subsistence tourism takes place as an interaction of people, the environment and technology. This interaction has the potential to result in an uneven distribution of costs and benefits among tourists, the environment and different actors in the host community.*

Traditionally tourism has been understood as an interaction between the tourist as a guest and the local community as host. This host-guest model has been criticized for failing to address the multiple ways in which community members may interact with the tourist (Miller and Auyong 1991). The broker-local-tourist model has recently gained popularity as a more nuanced way of understanding the ways in which tourists and communities interact.

In the model the community is composed of locals who may be impacted by, but do not seek to benefit from or control tourism. Brokers on the other hand have a vested interest in tourism and in some way attempt to benefit from or influence the industry and can represent private industry, public interests or civil society (Miller 2008). For the purposes of this paper the BLT model is

considered to be nested within a social-ecological-technological system in which human and natural systems are seen as interconnected and interactions between the realms can be augmented through technology (for a discussion of marine social ecological systems see Perry *et al.* 2010).

## 1.2 Subsistence

*Subsistence tourism relies on the sharing of traditional, indigenous subsistence activities including hunting, fishing and gathering for food or other cultural purposes*

Subsistence harvest of natural resources is practiced by indigenous peoples from across the Pacific and beyond. While ensuring food security is no doubt a component of indigenous subsistence it is by no means the only, or the most important component. Rather, indigenous subsistence can represent a key thread in the social, cultural and spiritual fabric of native communities. Alexis Celeste Buntun explains:

To this day many Alaska Natives and Maoris continue to maintain traditional relations with their lands through subsistence, spiritual and other cultural activities...Stories and symbolism are tied to geographical features, nature and nonhuman beings are to be respected, and cosmologies within and beyond the physical landscape are connected to a whole system bound together by being part of the earth” (2010, pg. 298).

Thus, it is apparent that subsistence represents a deep connection to both land and heritage for many indigenous peoples. However, the way in which society at large understands subsistence is often incompatible with the indigenous perspective. Because subsistence activities often compete with commercial and recreation interests for scarce resources the way in which the law understands subsistence is of paramount importance. Fisheries management is an arena in which the subsistence debate has often taken place. Schumann and Macinko (2007) have considered the multiple ways in which subsistence has been defined and provide the following typology:

(a)				
Under definition...	“Subsistence is...”	“that...”		
1	a level of existence	doesn't exceed a survival level.		
2	an economy	doesn't include monetary exchange.		
3	institutions	accord special social meanings to sharing and exchanges.		
4	activities	don't have a strictly material motivation.		
(b)				
Under definition...	can/does “subsistence” include...			
	exchange?	social institutions?	wealth?	societal integration function?
1	Yes	No	No	No
2	No	Yes	Yes	Yes
3	Yes	Yes	Yes	Yes
4	Yes	Yes	Yes	No

From Schumann and Macinko (2007; 708)

Under this typology it is clear that subsistence has been understood on a spectrum from a purely economic activity to a culturally and socially important activity that doesn't require economic motivation. Development of any tourism product anticipated to interact or compete with or complement subsistence activities must recognize the variability in how the term is defined. Otherwise conflict may arise if subsistence users operate in a manner inconsistent with the law as a result of conflicting definitions. Such conflicts have taken place in Alaska particularly around issues relating to exchange and wealth from the typology above.

One of these conflicts eventually led to a case in the Ninth Circuit Court: *U.S. v. Alexander*. In this case two Alaska Native men were charged with overharvest of herring eggs on kelp and illegal sale of the product (Bruzzese 1993). What became apparent through the case was that the defendants were operating under a definition of subsistence in which sharing and trade were acceptable. The overharvest, they argued, was justified because they would be sharing the harvest among their family, each member of which would have quota under Alaska law. The sale, they argued, was what they considered "customary trade" which is also protected under Alaska's subsistence laws. While the resolution of the case did not ultimately lead to decisions on these tensions between different definitions of subsistence it did bring them to light; clearly illustrating some of the problems that may arise in tourism development that incorporates subsistence harvest.

Subsistence in a modernizing and globalizing world can take on unfamiliar forms which further complicate definitions. Given the continuing spread of goods and knowledge, and allowing for trade and wealth as in most indigenous definitions of subsistence, there is a logical progression toward what has been called a mixed-economy (Schumann and Macinko 2007). Molly Lee (2002) describes her observation of a mixed economy Alaska by recounting a trip that she took with an urban Yup'ik woman from Anchorage, Flora, to several rural villages:

As we move through the morning, Flora drops off donuts with friends and relatives and replaces them in the cooler with gifts of delicacies such as duck or caribou ribs... [in the next village] She hands out more donuts the next morning before we leave, more oddly shaped packages (containing seal meat and tom cod) take up residence in the cooler... A few days later, down the coast in Goodnews Bay, a seal skin and an ice cream container full of salmon berries replace the last of the donuts (Lee 2002; pg. 3-4).

This quote shows both the complexity of the mixed economy and the sociocultural importance of subsistence activities; even for those who live outside the areas in which harvest occurs. It also shows that there is space within a subsistence economy for evolution and adaptation to globalization in novel ways.

Given the controversy surrounding subsistence it is important to identify what subsistence means in subsistence tourism. For the purposes of further discussion in this paper subsistence should be understood in its most holistic sense; recognizing the cultural importance of the activities, exchange and knowledge generation, the reality of the mixed economy, and the ability of modern technology and society to be integrated with traditional subsistence lifestyles.

### 1.3 Indigenous Tourism

*Subsistence tourism is a kind of indigenous tourism insofar as private sector brokers are native-owned companies with business strategies rooted in “indigenous value systems” (Bunten 2010; pg. 295).*

As many indigenous peoples have emerged from decades of colonialism and entered a new era of self-determination in a globalized world they have begun to explore tourism as an option for economic development. Much has been written about the continued exploitation of indigenous populations under mass tourism development, but there are also examples of indigenous communities embracing, planning for and guiding tourism development in ways that serve their unique interests (see for example Erickson 2003, Bunten 2008, Bunten 2010). Alexis Celeste Bunten (2010) explains that while “first wave” indigenous tourism enterprises largely reproduced cultural tourism models used by the dominant culture, a “second wave” of more genuinely indigenous tourism has emerged since the 1990s. In this “second wave” indigenous tourism operations have shared their culture on their own terms while not avoiding uncomfortable subjects such as colonialism and the challenges faced by modern indigenous peoples.

Thus, indigenous tourism is distinct from cultural or heritage tourism in that development is guided by the ‘owners’ of the culture or heritage rather than a third party. Furthermore, while indigenous tourism operations may superficially resemble products offered by other brokers, Bunten (2010) argues that “their company ethos reflects the values that set apart Indigenous-owned tourism from its mainstream counterparts” (285). This company ethos can be understood as part of an indigenous value system in which social and cultural well-being are considered in kind with profit.

Subsistence as defined above with all its sociocultural components can be seen as the original economic manifestation of the indigenous value system. Thus, integration of indigenous tourism and indigenous subsistence activities seems almost natural. Bunten (2010; pg. 295) explains that “hosting guests is a deeply native thing to do. For most Indigenous peoples... hospitality has always been serious business... Adapting the protocols of hosting with its associated social functions and embedded aesthetics to a commercial context comes naturally”. Thus, subsistence tourism as practiced by native-owned brokers has the potential to not just sell culture, but to be integrated more completely in to the social, cultural and economic systems of indigenous communities. Following from the above discussion the definition of subsistence tourism provided in this paper requires at least partial native ownership of the tourism operations.

#### 1.4 Cultural and Heritage Tourism

*Subsistence tourism is a type of cultural heritage tourism where the tourist is motivated both by the traditional nature of subsistence activities as well as the culturally specific knowledge of indigenous peoples.*

If subsistence tourism were to be developed it would be a type of cultural heritage tourism. For the purposes of this paper cultural heritage tourism is to be considered a composite of heritage and cultural tourism. Each term has been variably defined, and so further explanation is necessary.

Poira et al. (2001) have considered several of the ways in which heritage tourism has been used in the literature. They argue that a common, broad definition of heritage tourism that focuses on the historical nature of the touristic object is weak from both analytical and marketing perspectives. As an alternative they suggest that a more useful definition of heritage tourism is one based on the motivations of the tourist. Under this definition heritage tourism is the subset of tourism in which people are aware of and motivated by the historical aspects of their destination or activity.

In understanding the role of heritage in subsistence tourism this definition works well because a necessary characteristic one of the draws of subsistence tourism would be the 'traditional' nature of subsistence activities. The subsistence tourist may not visit what would be considered a "heritage site" under an objective definition of heritage tourism. The subsistence activities need not even involve traditional technology. However, given that subsistence is a manifestation of the traditional relationship between indigenous peoples and the land, subsistence tourism would generally be expected to be a form of heritage tourism.

In addition to the heritage value of traditional subsistence activities there is also obviously a cultural component of subsistence activities that would appeal to the cultural tourist. Stebbins (1997) defines cultural tourism as "a form of experiential tourism based on the search for and participation in new and deep cultural experiences of an aesthetic, intellectual, emotional, or psychological nature" (pg. 451). Similar to the definition of the heritage tourist given above, this definition is based on the motivation of the tourist rather than some objective evaluation of how cultural something is.

While Stebbins suggests that cultural tourism is inherently a 'deep' undertaking, McKercher and du Cros (2003) argue for a spectrum in cultural tourism based on the experience sought and importance of culture in the destination choice (see figure 1). In the context of subsistence tourism, where the tourist may have multiple motivations for participating, it makes sense to allow for a range of depth in the cultural experience. While some tourists may be primarily motivated by the cultural aspects of subsistence others may be primarily interested in the harvest, natural environment or other components of subsistence tourism. It may be useful for developers of subsistence tourism activities to consider this spectrum in order to create experiences that speak to as wide an audience as possible.

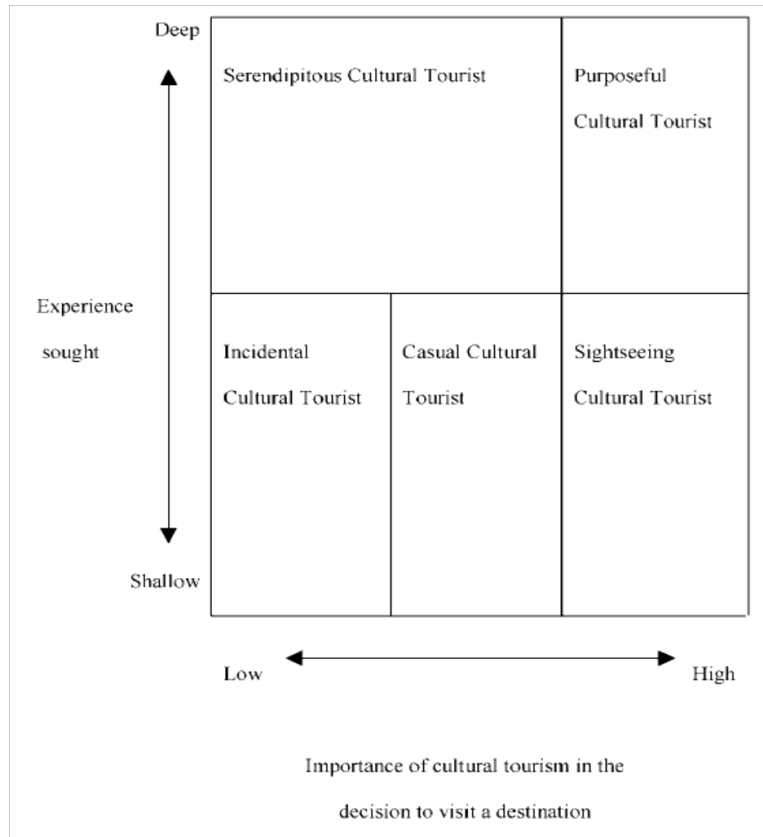


Figure 1. A cultural tourist typology. Adapted from McKercher and du Cros (2003; pg. 46)

The importance of heritage and culture to subsistence tourism should not be underestimated. It is in essence these aspects that separate subsistence tourism from ordinary recreational hunting or fishing tourism. It should be understood that the subsistence tourism to some degree will be interested not just in the subsistence activity, but the traditions that underlie it and its broader importance in indigenous culture. However, it should also be understood that there will be a spectrum of motivations for subsistence tourists. Subsistence tourism may draw customers who may not otherwise be interested cultural heritage. Given this diverse set of tourist motivations, identifying specific markets and tailoring activities to their interests will be a primary objective in the early stages of subsistence tourism development.

### 1.5 Consumptive natural resource tourism

*Subsistence tourism requires that some type of consumptive activity takes place whether it be fishing, hunting or gathering edible and other plant materials*

For the purposes of introducing subsistence tourism is not necessary to consider the consumption of natural resources it great detail. It is common knowledge that hunting and fishing are significant draws for tourists and that people will pay handsomely to participate in these activities. Many statistics are available on the size of this industry. For example, sport fishing is estimated to produce over 8 billion dollars of economic activity annually and support over 75,000 jobs between California, Washington, Oregon and Alaska (American Sportfishing Association 2008). So, the natural resource harvesting component of subsistence tourism is

important insofar as it will have significant tourist appeal. However, it is also vital to the definition of subsistence tourism, because without harvest of natural resources subsistence tourism could easily be considered indistinguishable from other forms of cultural tourism.

While I have previously argued for a broad definition of subsistence it is necessary to provide some limits to that definition. Most importantly, subsistence must actually involve the harvest of natural resources. While there are of course components of subsistence that occur separately from the harvest, subsistence tourism, to be distinct from other types of cultural tourism must involve to some degree the actual harvest. From a practical standpoint subsistence tourism is meant to draw interest from multiple tourist markets including cultural and heritage tourists as well as hunting and fishing tourists. Thus, both a cultural component and a harvest component should be included in order to both distinguish subsistence tourism from other activities and increase its appeal as a more interesting complete experience.

### 1.6. Agritourism

*Subsistence tourism is similar to agritourism in that an economic activity which may be profitable in and of itself is supplemented by the presence and participation of tourist*

Marques (2006: 151) defines agritourism as “ a specific type of rural tourism in which the hosting house must be integrated into an agricultural estate, inhabited by the proprietor, allowing visitors to take part in agricultural or complementary activities on the property”. Agritourism is similar to *subsistence tourism* insofar as an economic activity is the relevant attraction; farming or subsistence activities stand apart from tourism in ways that other forms of attractions do not. Importantly, if a tourist is not present the activities may still be profitable. Furthermore, whereas traditionally for an indigenous person to become a tour guide may have required forgoing subsistence opportunities, in subsistence tourism there will likely be a natural synergy between the two activities; essentially adding economic profitability to the existing benefits of subsistence harvest.

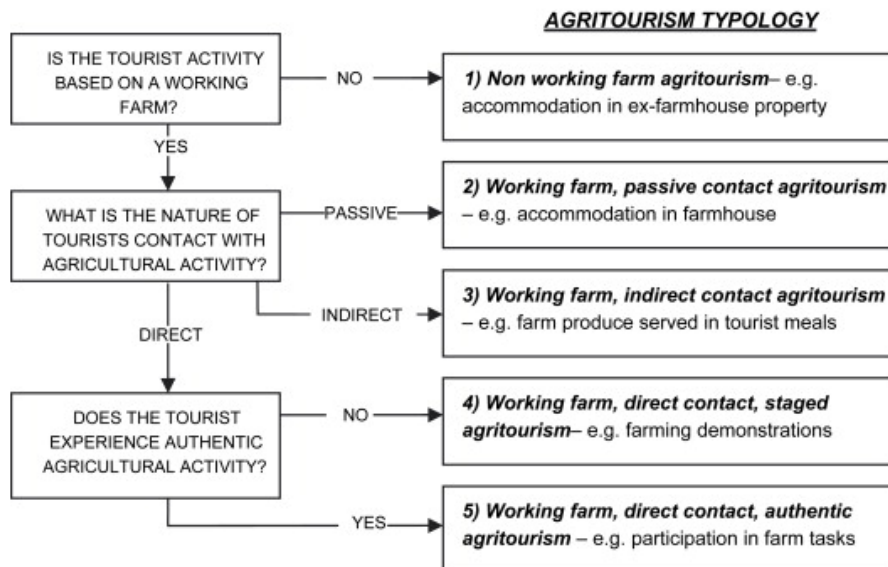


Figure 2. A typology for defining agritourism. Adapted from Phillip et al. (2010: 756)

As a result of the similarities between agritourism and subsistence tourism, there is similar spectrum of involvement that the tourist can have in the economic activity. Phillip et al. (2010) provide an analysis of the multiple forms of agritourism that have appeared in the literature. The typology they present is also suitable for considering the range of ways in which subsistence tourism may be undertaken. Based on the aforementioned requirement that harvest be involved in subsistence tourism, it can be concluded that only the fourth and fifth categories of the agritourism typology could be compatible with the definition of subsistence tourism given here. The corresponding categories would be staged subsistence tourism observed by the tourist and authentic subsistence tourism in which the tourist participates. The lower levels of the typology if extended to subsistence tourism could be considered various forms of cultural tourism.

This understanding of agritourism helps first in understanding the different ways in which tourism might interact with a separate economic activity, and second in distinguishing subcategories of subsistence tourism. Additionally, agritourism introduces the idea that modern tourists are willing to pay to do work. In the fifth category – “authentic subsistence tourism” – tourists would be participating in activities that might be generally considered physical labor. Understanding the willingness of people to pay to work will be vital for successful development of subsistence tourism. It is therefore necessary to explore the concept of *serious leisure*.

### 1.7 Serious Leisure and “Dude Fishing”

*Subsistence tourism, for some people, can be a form of serious leisure in that customers would be willing to pay to participate in activities that could be traditionally considered work and the satisfaction gained from the experience would transcend the superficial*

Stebbins (2001) introduced the concept of serious leisure as “the steady pursuit of an amateur, hobbyist, or career volunteer activity that captivates its participants with its complexity and many challenges. It is profound, long-lasting, and invariably based on substantial skill, knowledge, or experience, if not on a combination of these three” (pg. 54). In situations where people are willing to pay to do work it seems logical that the satisfaction they derive must be based the skill, knowledge and experience described by Stebbins rather than on superficial enjoyment. While not all subsistence tourism necessarily falls in to the category of serious leisure, some portion of the market certainly has the potential to. For those who wish to understand the complexity of the environmental and cultural systems in which subsistence operates, subsistence tourism would certainly be a very deep experience.

		<b>SUBJECTIVE EXPERIENCE</b>	
		<b>Mundane</b>	<b>Sacred</b>
<b>Activity</b>	<b>Leisure</b>	1. Casual Leisure	2. Serious Leisure
	<b>Work</b>	3. Instrumental Work	4. Expressive Work

Figure 3. Typology of involvements. Adapted from Macinko and Miller (unpublished; pg 5)

Macinko and Miller (unpublished) present the typology shown in figure 3 in their introduction to thinking about serious leisure in “dude fishing”. Dude fishing is a type of tourism in which, at its extreme, the tourist pays to work as crew on a commercial fishing vessel. This type of tourism is perhaps the most analogous to subsistence tourism in that the attractions for the tourist are quite similar and include harvest of natural resources, fishing culture, and the satisfaction associated with serious leisure. The authors’ typology shows the different ways in which the parties (tourist and broker) can relate to a given activity; in the case of their paper the activity is commercial fishing.

From a practical perspective understanding that some tourists will be seeking serious leisure in subsistence activities has implications for how subsistence tourism should be developed to create a satisfactory experience. However, more interestingly, as Macinko and Miller (unpublished) point out, “dude fishing will most certainly create new interpersonal challenges for skippers, traditional crew, and dude crew” (pg. 8). Subsistence tourism undoubtedly has the same potential to create novel interactions between tourists, brokers (subsistence tour guides) and locals (other subsistence harvesters). In introducing the tourist to subsistence – an activity that would generally be considered expressive work in the typology above – the realm of the sacred will be impacted. Thus, further consideration and close monitoring of the changes that take place will be necessary to ensure the sustainability of subsistence tourism.

## **Conclusion**

The purpose of this paper has been to introduce and explore an idea for a novel form of tourism with the potential to contribute sustainably to economic development in indigenous communities. Subsistence tourism has been introduced and defined as a type of indigenous tourism that shares culture and heritage through the tourist’s observation of, and participation in the sustainable harvest of renewable natural resources. Each section has been intended to elaborate upon this definition leading to the comprehensive definition that subsistence tourism is:

*A type of indigenous tourism that shares culture and heritage through the tourist’s observation of, and participation in the sustainable harvest of renewable natural resources and;*

*takes place as an interaction of people, the environment and technology. This interaction has the potential to result in an uneven distribution of costs and benefits among tourists, the environment and different actors in the host community and;*

*is a kind of indigenous tourism insofar as private sector brokers are native-owned companies with business strategies rooted in “indigenous value systems” and;*

*is a type of cultural heritage tourism where the tourist is motivated both by the traditional nature of subsistence activities as well as the culturally specific knowledge of indigenous peoples and;*

*requires that some type of consumptive activity takes place whether it be fishing, hunting or gathering edible and other plant materials and;*

*is similar to agritourism in that an economic activity which may be profitable in and of itself is supplemented by the presence and participation of tourist and;*

*for some people, can be a form of serious leisure in that customers would be willing to pay to participate in activities that could be traditionally considered work and the satisfaction gained from the experience would transcend the superficial.*

Given this comprehensive definition it should now be possible to further explore the potential for subsistence tourism development in indigenous. Furthermore, the preceding should help in identifying some of the challenges and opportunities that may be presented by this novel form of tourism. Subsistence tourism can offer a unique way to simultaneously preserve and profit from culture, but like all opportunities for economic development it will not work everywhere. Future case studies of early manifestations of subsistence tourism would supplement this work and could aid in identifying best practices for development.

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