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**Alaska Federation of Natives Convention**

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**Notes: Original in 7-inch tape, master copy on CD. Produced by Roger McPherson. THESE TAPES WERE PRODUCED AS A PART OF AN EXPERIMENTAL PROGRAM NOW DEFUNCT AND WERE BROADCAST OVER THE RADIO FOR EDUCATIONAL PURPOSES.**

**A man's voice [Hensley?]** starts by saying that they a proposal to restructuring and that he thinks that Mr. Borbridge and Mr. Nick will explain the nature of the present structure of the organization. They have distributed some proposed alternatives for restructuring of the organization that they have. Hensley gives the space to speak to Mr. Borbridge and Mr. Nick.

One of the two thanks Mr. President and says that before proceeding with the agenda that's set before "you" he'd like to speak as the elected president of Sealaska Corporation. The board of directors of Sealaska Corporation has been in attendance at the convention. [Long pause. They are having some technical difficulties perhaps?]

The speaker says he mentions that because it is important to note the extent of the representative capacity of the people on the board of directors of the Alaska Federation of Natives. It is further important to note that the members who represent the regional corporations on the board of directors are designated or elected by the region that they represent. Therefore they must have the support and the concurrence of the people in their region. As they have moved in their progress from the older AFN, which dissolved by the action of the people, into a new structure they want to stress and to assure people that they are not taken into a structure which has been set without their participation. That is why, at this point, they are encouraging discussion about what AFN should be in the future, how it should be structured, and what will be its membership.

3:11 The speaker says that the aforementioned topics are important and that they will need peoples' ideas and thinking. Under the statewide association that was dissolved, the supreme authority was vested in an annual convention. The board of directors was somewhat uneven in its representative capacity in that some regions were larger, some smaller. Nevertheless, they came together for the purpose of advancing land claims.

Various associations delegated their authority to that statewide association that is to represent them, particularly in lobbying for land claims. The board of directors had the authority under the constitution and bylaws to act on behalf of the people in-between conventions. Now they are moving to a point where they are taking note of the fact that they have 12 regional corporations under the Alaska Native Claims Settlement Act. As the AFN Inc. moved toward the 12-man board, they realized that it was necessary to amend articles of its incorporation and its bylaws. In its meetings in Anchorage on September 23-25<sup>th</sup>, there was action by the board of the directors to amend the bylaws. However, it acted in the following fashion: The board of directors of AFN Inc. directed that the proposed amendments to the bylaw should be divided into two categories: one group they call the technical or non-controversial amendments. Those were acted on by the board and there was a concurrence by all the members of the board. They were necessary for the board to move onwards. As regards to the proposed provisions which were important and therefore possibly controversial, the board directed that they should be referred back to the regents for their study. There has presently been no action on the important parts of the amendments to the bylaws of AFN Inc. Further in its meetings, the board of directors of the Alaska Federation of Natives Incorporated [Break in the recording?] extent the board is able to decide on the important parts of what an organization should be.

7:15 It's a wise board, however, that notices and appreciates the fact that its judgments or ideas are better and have the support of the people if they are able to bring the ideas to the people and to gain their reactions. Mr. Nick will be laying before people some of the options that they might consider as they proceed with task of developing the organization and charting new directions they might take. Essentially, they have to proceed with implementation of the claims act and maximize the benefits of that act for their people. They realize that they have to influence legislation in Juneau and in Washington D.C., and that they have to

maximize the programs to which they are entitled as people while still retaining the capital or the assets from the claims act. All of the things were laid out for the convention participants by Mr. Hensley.

The second task is to find out how they are going to form their organization and accomplish the tasks, how the regional corporations and people participate, and what, if any, conventions will be held in the future. They need to find out what things are decided on the regional level and what things, if any, are decided on the state level. They know that the passage of the act has placed some definite responsibilities on them. They know that regionally and on village level they have organizational restructuring that needs to be done and that should also be done on state-level. They have the responsibility to develop a capability for handling their resources, as well as financial, land, and sub-surface estates. Mr. Tinker pointed out that those arouse interest of all people. They know they need to review priorities that are recommended by the AFN Inc.

10:13 With that background, stressing again that they believe that their strength depends on the support and understanding of their [Native] people and that that is why they are discussing and asking for ideas. The speaker continues that he wants to stress that the people are not just told that that's the way it's going to be, but they are asked for their ideas.

The speaker will present things that they think are good based on the research they have done, but asks people to tell about their ideas on what should be in the organization. When the organization is developed it's going to have a structure in which it doesn't just serve the regional corporations and it will be an organization of the people. Unless they have this, they don't have a strong organization. When they leave, they want some input on things that the people want to see.

11:33 The speaker introduces the chairman, Mr. Robert Nick, who has been appointed to the task of developing priorities. [Break in the recording.] Mr. Nick asks if it's been pointed out by Chairman Borbridge that Nick was appointed to a committee to review the bylaws, the role of AFN Inc., and the membership of AFN Inc. The committee has had numerous informal meetings where they have discussed bylaws and goals and membership of AFN Inc. In the informal meetings the community members have approached various options or alternatives that the

AFN Inc. can consist of. The alternatives the committee investigated were passed out in a three-page document and Nick says he's going to go through the alternatives.

On the alternatives, they have listed advantages of having the membership consist of the alternative [unclear what this means] and after the advantages the disadvantages were listed. Mr. Nick will slowly review the options that were investigated by the committee.

13:33 The first alternative is that the membership of the corporation consists of regional corporations as designated by Native Claims Settlement Act. Advantages are that regional corporations that are funded by the act provide for the financial support of AFN Inc. and would control the purpose, scope, authority, budget and contract on agreements of AFN Inc. That means that the 12 profit corporations would have a say in the affairs of AFN Inc.

Alternative number 2 is to restrict the number of members to whom AFN is responsible. That would make it easier to establish goals and dissolve disputes. That means that 12 regional corporations would designate a board of directors to AFN Inc. and that would limit the number of directors to 12. Some of the disadvantages of that option are that the Alaska Natives who are born after December 18<sup>th</sup>, 1971 can't become stockholders of regional corporations except through inheritance until December 17<sup>th</sup>, 1991 when the stock goes public. This means that the children, who are born after the date and are not stockholders, would not be members of AFN Inc., couldn't participate, or be legally represented by AFN Inc. before they become stockholders. Secondly, with profit making corporations as members of AFN Inc., political activities would be restricted. Thirdly, after discussions with community members they deleted the advantage three. Number four is that there's no internal legal protection for Natives against the actions taken by AFN Inc.

At 17:03 Mr. Nick asks if there are any questions. [Break in the recording, muffled talking.] Someone asks if Ken Bass is in the audience. A man's voice says he's not a lawyer and will ask a lawyer to explain some of the questions that might be act. [Break in the recording.]

Ken Bass talks about alternative no. 4 in which the regional corporations only would belong to AFN Inc., and individual Natives wouldn't have a membership or any legal rights in AFN Inc. The only rights that individual Natives would have would be through their regional corporations and they would vote on limited extent in the regional corporation matters. In limited cases, they could sue against the regional corporations, board of directors, and officers for acts undertaken by those persons, but they would have no rights to sue or stop activities of AFN Inc. The only potential right, and a very distant one, would be to sue the board of directors of the regional corporation, claiming that the person they appointed to AFN board should not have been elected or appointed. That would be a difficult and distant right, making it difficult to ever change the decision of the regional corporation board. [Break in the recording.]

19:07 A man mentions alternative no. 2, in which regional associations can be members of AFN Inc. Advantages would be that all Natives are included, AFN Inc. would be able to help regions [by] grants, and AFN would carry more credibility in eyes of the public, people, and government agencies. Disadvantages would be that regional corporations that are expected to finance AFN Inc. wouldn't directly affect the decision making, except for through contracts over rendered services. Then, if primary funding for AFN Inc. comes from contracted services, the corporation's finances will be unstable. [Break in the recording.]

21:21 Alternative no. 3 is that membership of the corporation still consists of regional corporations, as designated by the Native Claims Act, and regional associations as defined by the residents of the region. Advantages would be that the regional corporations would have some control over AFN Inc. by funding source, that AFN Inc. would be able to sponsor grants, and to provide AFN Inc. representation to all Natives. Disadvantages are that confusion can be created when regional corporations and associations do not agree on actions to be taken by AFN Inc. board members. There is also potential for conflict of interest in the area of contracts with regional corporations, associations, and AFN Inc.

Alternative 4 is where there are no members to AFN Inc. This is in line with the recommendations of one of the regional corporations, since there would be no dues if there were no members. Disadvantage is that there would be a complete control by 12 individuals who don't have to be responsible to regions, villages, Natives or

to stock holders. The 12 directors would have the complete control. They also wouldn't have a source of financing due to lack of members. [Laughter.]

23:43 Those are the alternatives that the committee investigated. [Break in the recording.] Hensley [?] says people will be discussing the four alternatives. They have asked Mr. Bass to develop some ideas for them as a possible method of combining ideas that might be worth considering. They will ask Mr. Bass to explain the proposal and as Mr. Bass presents proposal requested by the board, people can ask questions and following that, they will continue discussing the four alternatives.

Mr. Bass says that before he starts, he'd like to digress a bit and tell how it all came about. He also tries to serve as an attorney for the board and answer their questions. This time he will be speaking on his own behalf, presenting something that he feels is beneficial to consider. He's not representing the board or reflecting what the board thinks or doesn't think.

25:29 Bass tells that last night everybody heard an informative presentation by [unclear] people about what happened when their claim came in and what they lost in fights they had to go through. He'd like to talk about what happened when his peoples' [Non-Native Americans] claim went through. It was 200 years ago, which is a short time "in lives of you people," but a very long time in the eyes of "my people." They had a revolution. They had a time when people realized there was too much power concentrated in hands of a one man who was called a king and was very far away from people. The people got together by taking all the autonomous regions that then were called colonies, and that now are called states, and drew up a plan called the Articles of the Confederation. Under those articles, each of the states had equal powers and they could do what they wanted to do, participate or not participate. They tried that for a few years but it didn't work because they forgot about the people.

They started again by having a convention and drafting a new document which was called the Constitution. They drew power from people and from the states in that version. They put the people in through the House of Representatives, states came in through the Senate, and the president was the head of all the people. That's where Bass started when he was asked to think about a structure. He sees the other

four alternatives as the Articles of the Confederation because they build on regions, just like the articles build on states. He doesn't think they give enough consideration to the people. He tried to come up with something that would blend the two great sources of strength and power: the regional corporations and the Alaska Native people who have been there for thousands of years. Both are valid and have a need to be heard as they did in the claims act lobbying. Bass thinks the results will be insurmountable.

29:03 He drew up something that has circulated as an option A although it has some faults and illegalities in it. It starts with a premise that the members of AFN Inc. will consist of two separate classes: one is the individual Alaska Natives and second is the regional corporations. He tells that he proposed originally that individual Natives would elect the principal officers: president, vice president, secretary and treasurer and they would also vote on amendments to bylaws. Amendments would have to be proposed either by the board of directors or 10% of the individual members. They could also vote on matters referred to them by the board at annual meetings.

Provisions B and C in the paragraph are standards from corporate organization manuals. Provision A, in which board of directors of a corporation has to elect the officers is the one that Mr. Bass found illegal under Alaska Law. Barry Jackson pointed it out to Bass, and suggested a modification which was to set up a board of directors that comprised of 12 people, one from each of the regions, and an additional three members that would be elected by all the individuals Natives. They can be called anything: a chairman, a vice chairman, and a second vice chairman. The three at-large members would have equal voting power in the board of directors. Then the board would have a balance between individually elected board of directors and regional corporations' nominees. They would have the power to hire or fire a president and the executive officers of the corporation.

They would have a situation in which the people who had to run the daily affairs of AFN Inc., the officers, would be professionals who would enjoy constant trust of the entire board, but they wouldn't have individual political basis. At the same time, the board wouldn't be independent of the people but there would be a number of people there who don't have to feel like they are speaking for their regions.

Everybody has regional biases, but Bass thinks that people would tend to see things in a different perspective.

One of the problems that the proposal generates is the conventions and their expenses. It takes several days off of peoples' times to come to the things [conventions]. Bass points out that they don't have to have a convention even if they have individual members. All corporations have annual meetings but they don't have to take a form of a convention. Most business corporations with millions of stockholders have an annual meeting and only a 100 people show up. The rest of the people can be present by mail, telephone, telegram or however one wants to set it up. Through an annual meeting, using individual members to draw on individual Alaska Natives, whether they are enrolled now or born later, and have them have some input on board structure. There are lots of issues to be resolved in Bass' proposal and he says that it is "your" [the audience] decision, and the board's. [End of the recording.]