

Between Worlds - The Next Generation

The Next Generation

Corporations must decide whether to include Natives born after 1971.

By CATHY BROWN
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Darrell Berntsen, 28, received \$6,000 in dividends this year from his Native corporations.

His sister, 25-year-old Carrie, got nothing.

Kathleen Nevzoroff holds her godson, Michael Dirks Jr. in Atka's city building. Children born after 1971 are sometimes called "afterborns" and don't always become Native corporation shareholders.

PHOTO BY BRIAN WALLACE

The Berntsen children are all Alaska Natives, originally from the village of Old Harbor, but Carrie and her younger siblings were born too late to be enrolled in a Native corporation when the Native settlement act passed in 1971. The have and have-not situation hasn't created conflict in the family, Carrie Berntsen said, but it does bother her.

And it's not just the money, she said.

"I can't go to corporation meetings. I can't vote for who's going to be the board members of our corporation," she said. "They're a part of it and we're not. They call us the afterborns."

The issue of "afterborns," Alaska Natives born after 1971, creates a dilemma for Native corporations around the state trying to balance a desire to share with the younger generation against a push to pay higher dividends to current stockholders. "It's a Catch-22 situation," said Berntsen's father, Ron, a

board member for the village corporation in Old Harbor.

Some Alaska Natives said they fought for the settlement act to benefit future generations, and they hate excluding the young people from its benefits. Adding them, however, immediately dilutes the value of the stock for existing shareholders. The math is simple: If \$1 million worth of dividends must be spread among 8,000 shareholders instead of 4,000, the checks will be half as much.

Patty Gregory shares a laugh with her daughter Delores, 7, as she tries on a bentwood hat that Patty is making during a hat-making class in Unalaska. Jerry Ramos watches in the background.

PHOTO BY MICHAEL PENN

Initially, the settlement act didn't include those born after Dec. 18, 1971, passage. Amendments in the late 1980s gave corporations the option to add those born later. Only three of the 13 regional corporations have done that, Arctic Slope, NANA and Doyon.

Arctic Slope and NANA automatically enroll shareholders' children when they're born, although NANA requires they be at least a quarter Native.

Doyon enrolled those born through 1992. The board will consider in 2002 whether to open the rolls again to those born since 1992, said Robin Renfro, Doyon's vice president of shareholder relations and administration.

"That was a very, very heart-wrenching issue," said state Sen. Georgianna Lincoln, who is a Doyon board member. "There were young people that were talking and walking and thinking and saying, 'How come I'm not a shareholder? I'm Native. I belong to the village.'"

The board put the question out to its shareholders, and they agreed to let the younger generation in.

Adding the next generation of Natives to the rolls increased Doyon's shareholder list from 9,000 to nearly 14,000; NANA's from 4,900 to close to 10,000; Arctic

Slope's from 3,700 to 8,000.

Kotzebue children participate in a potato-sack race during a picnic put on by the Maniilaq Association. Children born to NANA shareholders become shareholders automatically.

PHOTO BY MICHAEL PENN

In all three corporations the newly issued stock reverts to the corporation when the shareholder dies.

The addition didn't dramatically reduce dividends at Doyon, Renfro said, because the corporation gave shares to its new members gradually. Children under 18 received just 30 shares; when they reach adulthood, they are given another 70 shares.

Arctic Slope managed to keep dividends from declining by increasing profits, Arctic Slope Chief Administrative Officer Conrad Bagne said. Arctic Slope is one of the most profitable of the 13 regionals.

NANA adds about 275 children a year, spokeswoman Sarah Scanlan said. While individual checks would be larger without the provision, many families' overall income from dividends goes up because more family members have shares, she said.

There are other ways Natives born after 1971 can become shareholders. Inheritance is one; "gifting" is another. Gifting is a provision that allows shareholders to give some or all of their shares to a descendant or a sibling. Cook Inlet Region Inc. CEO and President Carl Marrs said he thinks most of those born after 1971 will eventually have stock through inheritance or gifting.

Debbie Prokopeuff, left, and Crystal Swetsoff, both seniors at Netsvetov School in Atka, have pierced their faces, as have a handful of other people in Atka. Aleut people of their region traditionally wore similar labrets, and these young people are reviving the tradition.

PHOTO BY MICHAEL PENN

However, those options aren't providing stock to younger Natives at a rate similar to that which occurs in those corporations that have issued new shares to the younger generation.

At CIRI, the number of shareholders has changed from 6,280 originally in 1971 to a little more than 6,900 now, due to inheritance or gifting. Sealaska has added just 900 of its more than 16,000 shareholders through gifting.

Gene Makurin, a former CEO for the Unalaska village corporation, thinks it's fine that those born after 1971 aren't automatically added. Makurin believes children wouldn't understand the shares or the corporation. And he doesn't like the idea of decreasing dividends by issuing new shares.

Other Natives, however, are troubled by the issue.

Gene Makurin, former chief executive officer for the Unalaska village corporation, believes children shouldn't be allowed in as shareholders.

PHOTO BY MICHAEL PENN

The question of whether to issue shares to the youngest Natives exemplifies the clash ANCSA created between the Western profit-making value and the traditional priority of sharing.

Excluding children conflicts with Tlingit law, said Rosita Worl, an anthropologist and Sealaska board member. "In the past just by being born in a clan you have ownership rights in that clan," she said.

Sealaska is still wrestling with the issue of whether to enroll all those born after 1971, said spokeswoman Vikki Mata. An earlier advisory vote showed shareholders nearly evenly split.

Shareholder Ethan Petticrew finds that conflict deeply disturbing.

"It's made us greedy," said Petticrew, a Sealaska shareholder, living in Atka in the Aleutian Islands. "Our ancestors are probably sick about it. They're probably up there screaming mad, saying, 'Why aren't you letting the children in?'"