

Southeast Economic Plan Preparing for 2020



SWOT Analysis: Strengths, Weaknesses, Opportunities & Threats



At Southeast Conference's March 2015 Mid Session Summit, 180 people representing small businesses, tribes, native corporations, municipalities and community organizations participated in two types of SWOT analyses: one for the region overall, and sector specific SWOTs within the nine committee areas. **This document is a summary of the overall regional SWOT analysis.**

A SWOT analysis is an in-depth analysis of strengths, weaknesses, opportunities, and threats. A regional SWOT analysis identifies a region's competitive advantages along with internal or external factors that keep us from realizing our potential. It helps answer the question, "Where are we now?" by identifying critical internal and external factors that speak to the region's unique assets that we can leverage to maximize the economic potential of Southeast Alaska.

Conducting a SWOT analysis was the first step in a year long planning effort to develop the Southeast 2020 Economic Plan: A five-year economic development strategy that will act as a blueprint for regional collaboration and growth. In order to develop the elements of this plan—a clearly defined vision with prioritized goals & measurable objectives and a strategy-driven Southeast Alaska action plan—it was critical that an analysis of the region's competitive strengths and weaknesses were assessed so that the foundation of the

plan could be built upon a common understanding and set of goals.

Conference attendees who traveled to Juneau from 22 different communities across the region were asked to write down their thoughts, and in doing so generated nearly **1,200 individual written comments** that became part of this analysis.

The following pages contain word clouds, which are a visualization of these responses: more frequently used words appear more prominently. A full analysis of all 1,200 comments was also conducted, with similar concepts and ideas grouped together and displayed graphically. There was a clear consensus regarding the top responses for each category:

- Top Strength: **Our people and our Southeast Alaskan spirit**
- Top Weakness: **Transportation costs**
- Top Opportunity: **Seafood & product development**
- Top Threat: **Federal government regulations and overreach**

The next step will be to work within the committees and sector specific SWOT analyses and begin to develop strategic direction and corresponding action plans. To find out more go to **www.seconference.org/strategy**.



Top Strengths #1 Our people & our Southeast Alaskan spirit



People & Southeast Alaskan Spirit

There is a strong sentiment that our people themselves are our greatest economic asset. Comments included the following:

We are resilient. We use innovation. We have a can-do spirit. We find solutions. We are a diverse and welcoming people. We take pride in Southeast Alaska. We are creative. We have a world class vision. We don't give up. The people in our communities are tenacious.

Region Collaboration

The Southeast Conference membership comes together for the sake of collaboration, and so perhaps it was not surprising that working together was the second most cited strength. Specific comments included:

We have a collective energy and common goals. We work locally and think regionally. Communities have a social and cultural connection. We are committed to supporting one another in making this a great place to live and work. We network and collaborate.

Seafood Industry

Our fisheries were identified as another key strength. Seafood related responses included the following: ***Fishing. Fisheries. Abundant seafood resources. Wild seafood management and marketing. Sea product processing.***

Beauty & Recreation Opportunities

Worldwide recognition of our natural beauty. Recreation, including kayaking, hiking, camping, canoeing, hunting, and fishing. Natural attractions. Scenic wilderness.

Natural Resources

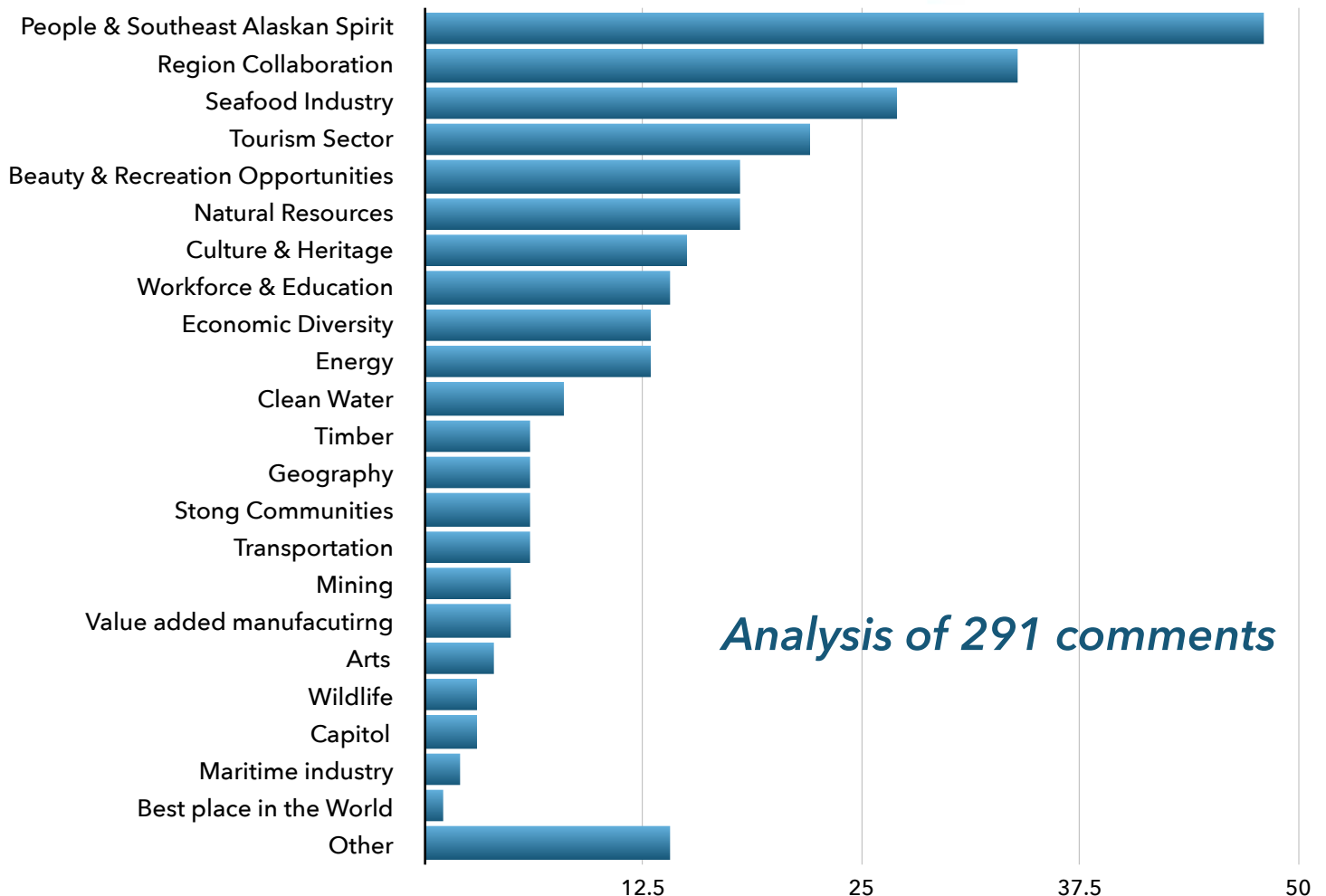
Comments in this category included: ***We have a rich base of natural resources. We have an abundance of naturally replenishing resources, including fish, timber, and water. There are vast natural resources here.***

Culture & Heritage

We have a rich, vibrant Southeast Alaskan Native culture. We have a strong commitment to the Southeast Alaska lifestyle. Our cultural identity is clearly established. Our smaller communities have simple subsistence lifestyles, and we are self-sufficient at rural living.



This word cloud is a visualization of the 291 responses submitted to this question, with more frequently used words appearing more prominently.



SOUTHEAST 2020 ECONOMIC PLAN: SWOT ANALYSIS



Top Weaknesses

#1 High Transportation Costs



Transportation Costs

"High cost of transportation" was by far the most frequent response regarding our region's top economic weakness. Participants noted the following: **Our road systems are disconnected. Our marine transportation network is expensive. The high cost of shipping is gouging our villages. Basic transportation is expensive.**

Energy Costs

"High cost of energy" was a close second overall weakness: **High energy costs. High fuel costs. Reliance on diesel. Fractured energy grid. High cost to heat buildings. The high cost of electricity.**

Regulations & Overreach of Federal Government

Comments regarding this category included the following: **There is too much federal regulation and government overreach. The federal government blocks our ability to use our resources. The Federal land management bias is restrictive to development. Government regulations lock up our natural resources. Regulations are too cumbersome for our smaller communities and small businesses.**

Cost of Living & Doing Business

In addition to the costs of transportation and energy, other costs were called out as being disadvantageous to business—including the cost of living, labor, housing, starting up a business, and food.

Our Geography & Isolation

Our isolation was another top response: **Southeast Alaska is a rugged isolated place. Our communities are remote and physically separated from one another.**

Aging or Stagnant Population

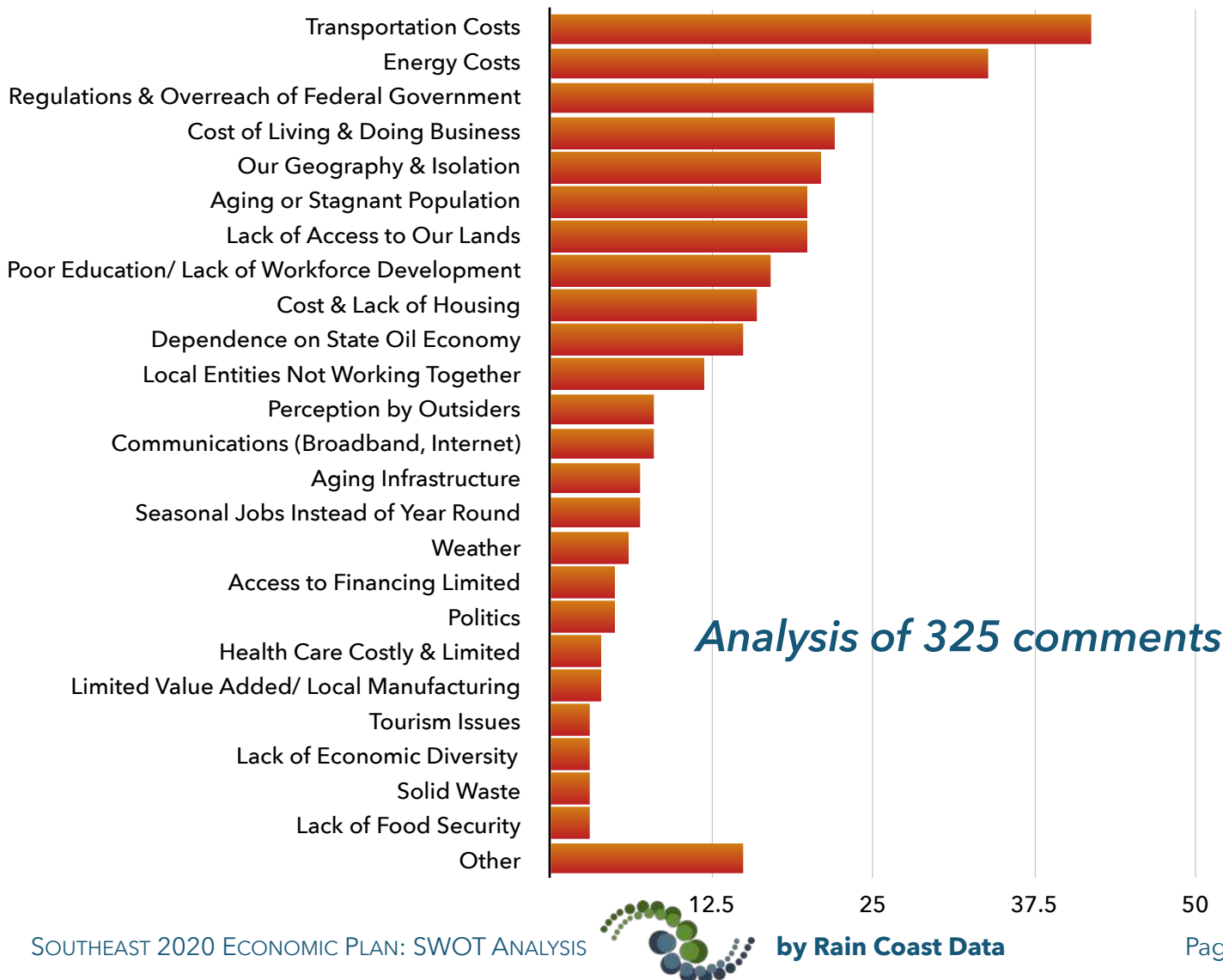
Demographic comments included the following: **Our population is aging. We are not able to retain young people after they go "outside" for college. Our population is not growing. Young families is a declining demographic group. We are losing our legislative representation.**

Lack of Access to Our Lands

The fact that nearly all (95%) of all Southeast Alaska land are under federal management was another top concern: **Federal land ownership. Lands not available for use. Almost no lands in private hands. Limited land for development.**



This word cloud is a visualization of the 325 responses submitted to this question, with more frequently used words appearing more prominently.





Top Opportunities

#1 Seafood & Ocean Product Development

Seafood & Ocean Products Development

Increased development of value added seafood products is seen as the top economic opportunity for Southeast Alaska. Commenters also called for more fish waste utilization, mariculture, seaweed exports, salmon enhancement, fur harvests, global marketing, and bringing our fish permits back to our region.

Tourism

Development of smaller scale visitor industry products were rated as one of the top opportunities for the region. Examples of these comments include: **Smaller cruise ships visiting unconventional ports. Rural tourism. Off the grid tourism. Market region as stay-cation destination for other Alaskans. Develop winter tourism. Attract more international tourists. Expand tourism markets and seasons.**

Energy

Opportunities in energy included increased renewable energy development with many specific references to hydropower development. Other commenters called for use of liquefied natural gas, biomass heat, tidal energy, and exporting power to British Columbia.

Mining

Support for mining opportunities was another general theme.

Promoting Region

In addition to marketing the specific elements of our region, Southeast Conference members think we should also promote Southeast Alaska a whole. Comments included: **Attract talented people. Market our lifestyle to entice industry to our region. Make it clear that we are open to world markets. Buy local and use local resources.**

Timber

Selected timber focused comments included: **Work with the federal government to open up the Tongass to increased harvests. Develop more value added wood products. Develop specialty wood export markets.**

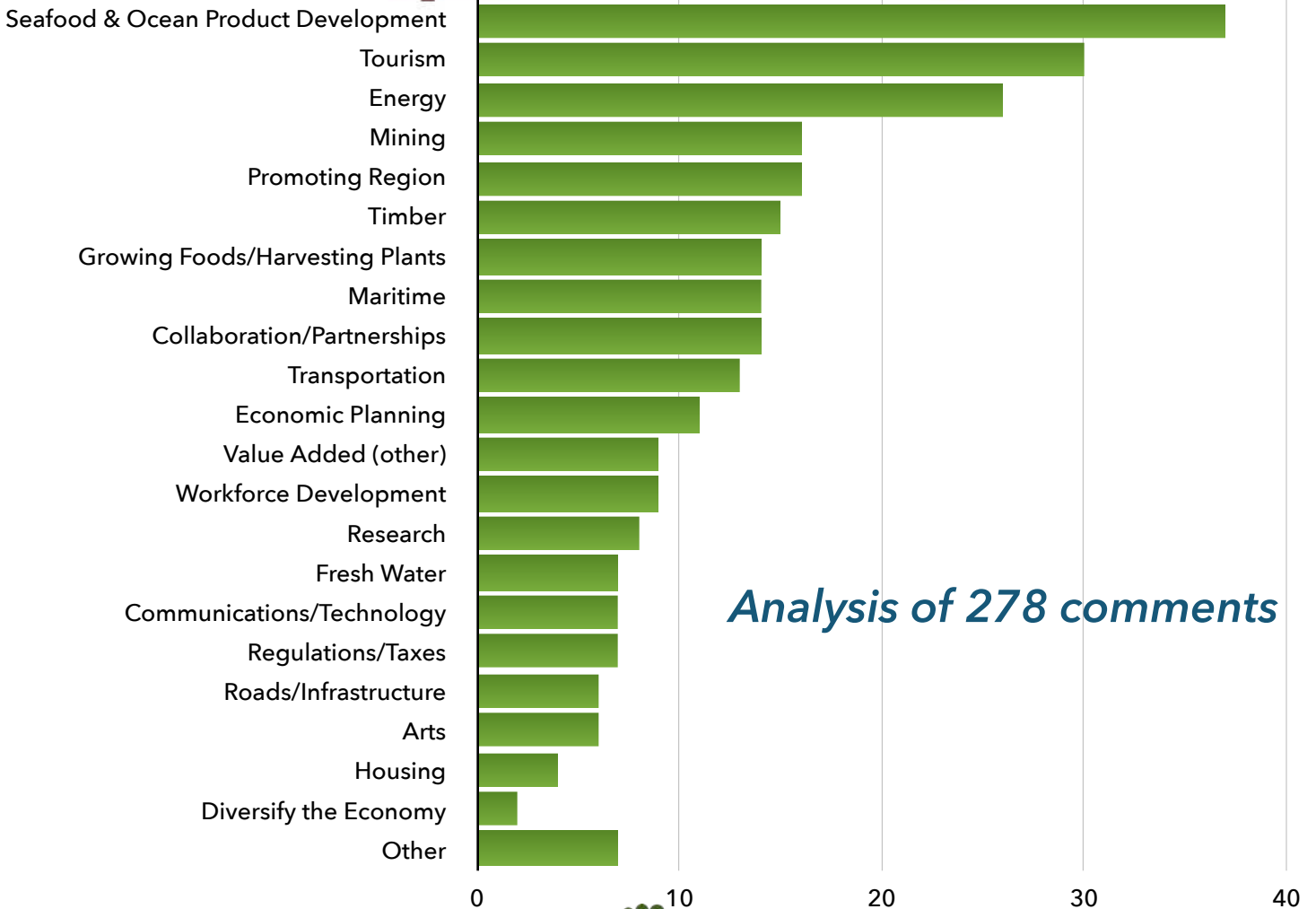
Growing Foods/Harvesting Plants

Focus on agriculture and food security was clearly a theme of this year's event. Comments included: **Create more opportunities in the region to purchase foods produced locally. Increase regional agriculture as well as wild food harvests. Market medicinal and other plants with specialty uses to the global marketplace.**



All Opportunities

This word cloud is a visualization of the 278 responses submitted to this question, with more frequently used words appearing more prominently.



Analysis of 278 comments

Top Threats

#1 Federal Regulations & Federal Overreach



Federal Regulations & Overreach

"Federal regulations" was by far the top response to the question of "what external factor could place the region at the risk of economic decline?" Since 95% of the regional land base is managed by the government, this focus was not a surprise. Selected comments included: **Onerous federal regulations and compliance. Federal overreach. Unilateral decision making by high public officials. Regulatory compliance. Changes to federal land management priorities, practices, and interpretation.**

Declining oil Prices & Dependence on State Budget

Since the public sector makes is responsible for a third of the region's payroll, potential budget cuts resulting from falling oil prices and production could be highly disruptive to our financial stability, and are thus viewed as another significant threat.

Capital Move & Capitol Creep

The continued political and economic uncertainty that stem from a half century of efforts to remove the capital from Southeast Alaska weighs heavily on the region. The threat of a capital move, along with the more insidious threat of capital creep, ranks third among potential outside threats to our economy.

Changing Demographics

Southeast Alaskans worry that our continued shift from a young region (of the 1970s and 1980s) to one that is significantly older than the nation as a whole will have negative economic consequences. Comments here included: **Loss of youth. Loss of highly educated and skilled members of our workforce. Loss of young families. An increase of residents retirement aged or older, and an inability to attract people qualified to replace them.**

Natural Disasters & Extreme Weather

In Southeast Alaska we know that a spectrum of natural and human forces—including earthquakes, tsunamis, severe weather, volcanos, and oil spills—can disrupt our shipping, communication, transportation, and economic systems.

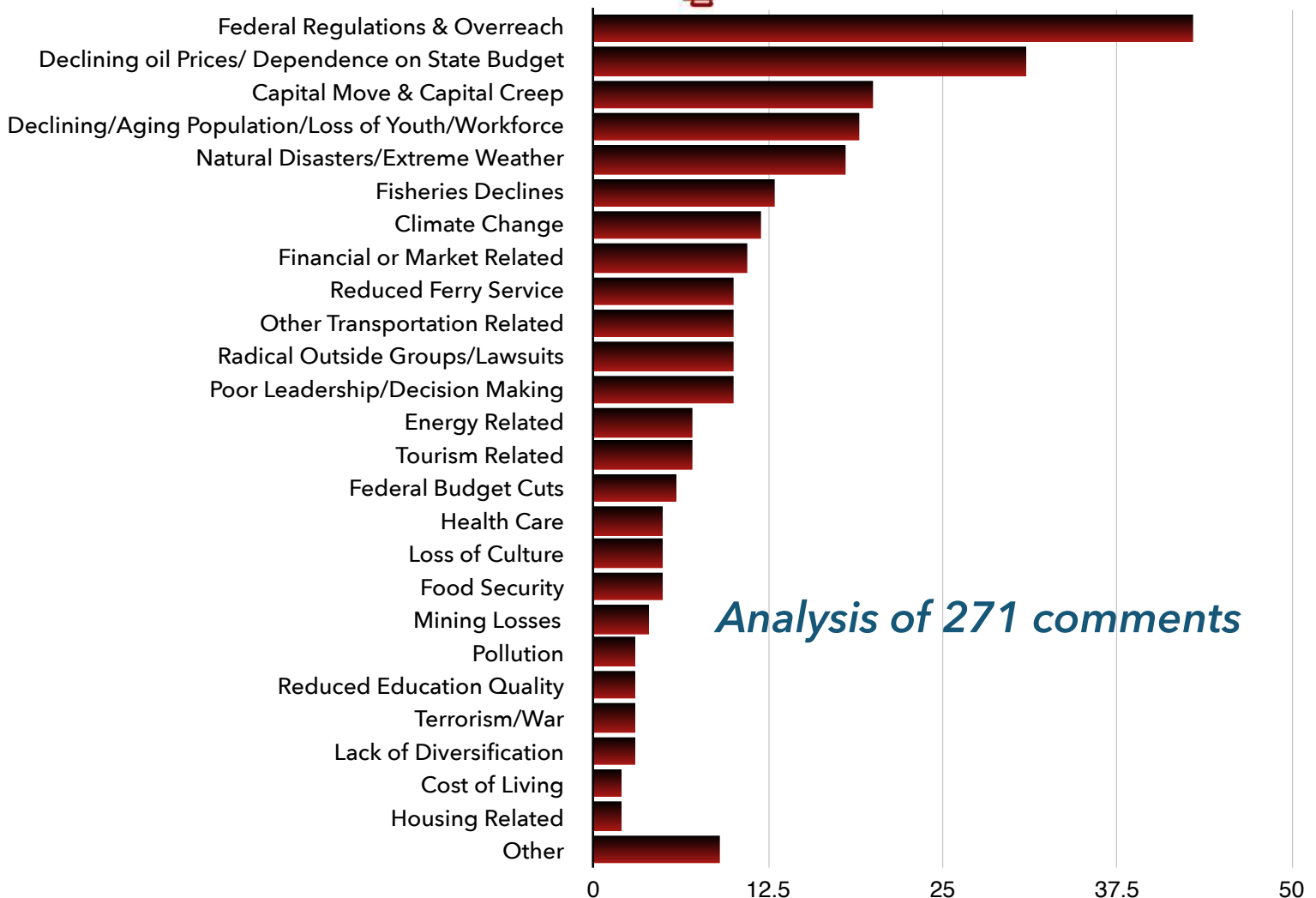
Fisheries Declines

We depend on our regional seafood harvests, so anything that might disrupt or reduce our fisheries is a threat. Specific concerns included ocean acidification, market fluctuations, salmon disease, biological declines, anti hatchery sentiment, bad science, climate change, sea otters, and trans boundary impacts.



All Threats

This word cloud is a visualization of the 271 responses submitted to this question, with more frequently used words appearing more prominently.



Analysis of 271 comments