

OPINION: The election and Alaska oil politics

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Downtown Anchorage, photographed on Wednesday, March 6, 2024. (Loren Holmes / ADN)

Alaska is facing multiple problems these days. State savings accounts are on the edge of empty. The university system is struggling to stay afloat, the ferry system is sinking, and school systems are in a constant battle to find the funds to retain teachers and fix dilapidated buildings. Divisiveness over the Permanent Fund dividend threatens to destroy the fund itself. And more people are leaving than moving to the state. The path to where the state is today begins and ends with oil.

There's no doubt oil production and revenue has done a lot of good for Alaska. Oil revenue helped build the transportation systems and public facilities that businesses and communities rely on and helps fund many of the public services that improve Alaskans' quality of life. However, like most good things, Alaska's dependence on oil comes with a price.

Oil and gas corporations operate in Alaska to make a profit. To maintain profitability in their volatile and risky business, the corporations seek low taxes and a light regulatory regime from the government. The problem for Alaska is that in their quest for limited taxation and regulation, oil corporations have used their considerable economic power and financial resources to influence the state's political affairs and governing policies, often without regard for the welfare of Alaskans.

In the early days of oil development, Alaskan lawmakers worked together against industry pressure and established oil tax systems to bring in the revenue needed for the betterment of Alaska. That cohesiveness shattered in 1981, when oil production and oil revenue was at its highest. That year, a historic coup toppled the reigning Democratic majority in the House of Representatives. A new Republican-led majority soon changed the oil and gas corporate income tax in favor of the oil industry. From then on, oil company campaign donations went almost exclusively to Republican candidates who favored limiting government taxation and regulation of their industry.

The anti-tax, anti-regulatory philosophy melded with an overarching anti-government ideology. In support of that ideology, Republican lawmakers promoted the idea of government as something separate from and potentially harmful to the people. Anti-government rhetoric permeated the Alaska psyche, convincing many Alaskans that the way to prosperity was by electing government representatives who would slash public spending and services while keeping oil and other taxes low and who promised the largest possible Permanent Fund dividend.

That leads to where Alaska is today. Since Republicans maintained legislative majorities for most the years of oil industry domination in the state, their anti-government view prevailed. Decades of implementing that governing philosophy has undercut government investment in public welfare and infrastructure, almost to the point of collapse.

This is in contrast to the Democratic philosophy that generally favors a government that provides for public services and infrastructure that benefit community and Alaskans' interests. Things like

good schools and roads and well-funded health care and public safety are what make a state a place where businesses want to invest and people want to live.

This fall's election offers Alaskans an opportunity to change the downward trajectory of the state.

With their vote, and with the help of ranked choice voting, Alaskans can break the decades of oil's impact on their politics by voting against anti-government ideologues and for candidates willing to use the tools of government to assure a sound fiscal future and a good quality of life for the people of Alaska.

Over the course of forty-four years in Alaska, as a state oil and gas attorney and as staff to Alaska lawmakers, Lisa Weissler witnessed and participated in the tumultuous years when the oil industry made its biggest impacts on Alaska politics. For more on how oil changed Alaska, see her newly published book, "Capitol Crude: The Impact of Oil on Alaska Politics"