

Intergovernmental Relations in Alaska: Development, Dynamics and Lessons

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Introduction

In his book *Arctic Politics*, Oran Young argues that studying the politics of the Circumpolar North, a subject generally seen as having little value, does have important insights to offer both about the Arctic region and for other parts of the world. However, Young does not base his argument on Arctic exceptionalism—the belief that political forms and problems are distinct, even unique, in the Arctic and have no counterparts elsewhere. Neither is his argument based upon a major rationale for the political study of regions—like Western Europe or Latin America—that such studies of political history and political present help us predict the political future. Instead, Young’s plea for a serious study of Arctic politics and government is based upon what he sees as its two most important contributions. First, it is useful in understanding the political forms and developments in the Far North, both within sovereign states and political cooperation (or lack thereof) among Arctic nations. Second, he sees the Arctic as a testing ground. Many of the political issues and the political forms being developed in the Arctic region to deal with these issues may have important lessons for other parts of the world. These include issues and political forms relating to indigenous peoples, the resolution of conflicts between the values of development and environmental protection, and international cooperation on such issues as fishing rights, animal migration and the preservation of cross-border ecosystems in general.¹

With some slight adaptation, it is Young’s rationale for studying Arctic politics that underlies this article’s examination of intergovernmental relations (IGR) in Alaska. Because of what its development tells us about the internal development of Arctic nations and the important lessons for nations outside the North, Young sees IGR as one of the most valuable aspects of Arctic politics to study.² This case study is a test of that argument. The study has three goals. First, to explain the development and present dynamics of Alaska’s IGR and how a system of internal colonialism (exploitation of peripheral communities within a sovereign state by the central government) developed into a devolutionary system with considerable local autonomy. Second, it examines the

extent to which the Alaska IGR experience is exceptional. And third, it asks the question: What are the lessons to be learned from this experience?

This article's central argument is a simple yet dominant political reality: that Alaska's IGR system, its state-community/central-peripheral relations, have been and continue to be dominated by central authorities, namely the federal and state governments and by external forces. This situation has been mostly shaped by historical circumstances, political culture, economic and financial factors, and very little, if at all, by Alaska's "northernness"—its location in the Arctic and sub-Arctic region. Furthermore, factors—such as Alaska's dispersed population, the presence of an indigenous population (referred to in Alaska as Native Alaskans or as Natives), and climate, among others—that might lead to (a belief in) some unique form or circumstances to the state-community relationship, are not unique to Alaska or the North in general. This is not to say that these factors have had no effect at all; rather it is to argue that they do not produce or verify Arctic exceptionalism in Alaska's IGR system. Finally, the lessons of the Alaska IGR experience are various, but they have more to do with generic political phenomena like the power of sovereign governments, the importance of economic viability of communities and the quirks of a nation's development, than specific lessons emanating from particular Arctic experiences.

The Multi-Faceted IGR System in Alaska

The key to understanding IGR in Alaska, as in any other American states, is that these relations operate within the American federal system. Constitutionally, the states are in a semi-sovereign relationship to the federal government, whereas, according to Dillon's rule (formulated by Judge John F. Dillon in 1911), local governments have no such status in relation to their state and have strictly construed authority. However, what is more important in the day-to-day operations of central-community relations is not federalism and Dillon's rule, but the interaction of federal, state and local governments—the ongoing dynamics of IGR. The particular circumstances of this intergovernmental relationship give Alaska's central-peripheral relations their characteristics which in some ways sets Alaska apart from other states.

This three-leveled IGR system means that we need to be clear about the use of terms in our discussion. Two *central* governments, the *federal* and the *state*, have relations with local/peripheral governments in Alaska. To be clear about which government we mean, we designate them as the "federal" or "state" government. A similar ambiguity arises with "state-community" relations. The term "state" could mean either a specific state like Alaska, or be used synonymously with "government." To avoid this confusion we use the term "state" only to refer to the State of Alaska or some other American state.

While there are some distinct factors about Alaska's IGR, many aspects

of federal and state relations with local governments and unincorporated communities in Alaska are similar to other states. Since the years of President Johnson's Great Society program of the mid-1960s, the federal government provides direct grants to many local governments for such services as public transport, and compensation for federal lands within local jurisdiction which cannot be taxed. As in other states, in Alaska, not only is the legal framework of local government determined by the state government, but the regulation and partial funding of many local services, particularly education, public safety and health, are subject to changes made at the state level. State government also acts as a pass-through agency for most federal funds destined for local governments, and the state can decide whether to accept federal funding for some programs. For instance, in recent years, some states with conservative governments have refused some federal environmental protection funds because they did not want, usually for ideological reasons, to allocate the state matching funds required for these grants. Alaska has been one of those states.³

Then there are those aspects of the IGR system in Alaska, as it relates to local governments and communities, that are unique or at least have a substantial Alaskan twist to them.⁴ Three aspects are particularly important: (1) the unique structure of the local government system developed under the Alaska Constitution; (2) the existence of several forms of Alaskan Native governments and quasi-governments (private bodies exercising governmental functions); and (3) a heavy dependence of local governments, particularly in rural-bush Alaska, on state funding for local services.⁵

The local government system set up in the Alaska Constitution is unique among the fifty states. The system has no counties and no special districts or independent school districts. It has only two forms: the borough, a multi-purpose regional municipal unit, and the city, a smaller municipality with restricted powers within an organized borough, but exercising various levels of authority when not within a borough. However, borough governments cover only about 35 percent of the area of the state. Close to two-thirds of the state has no local government and is referred to as the unorganized borough (in contrast to the boroughs that are incorporated or "organized"); though several villages located in this vast, unorganized area are incorporated municipalities (cities). For certain categories of boroughs and cities, the Constitution provided for liberal powers of home rule—the right to exercise functions and perform services not prohibited by state law. In addition, about 60 (or close to a quarter) of Alaska's approximately 250 communities are not incorporated under Title 29 of the Alaska Statutes, the state municipal code.

In rural-bush Alaska two parallel systems of local government operate, often overlapping territorially: the state system described above, and federally authorized Native governments and quasi-governments. The unique status

of Alaska Natives (explained in the next section), gives them the right to establish local governments, under the Indian Reorganization Act of 1934 (extended to Alaska in 1936), which are called IRA councils. In addition, the for-profit regional and village corporations and particularly the nine non-profit regional corporations established under the Alaska Native Claims Settlement Act (ANCSA) of 1971, act, in effect, as quasi-governments through their administration of programs and services to rural-bush communities.

Local governments in Alaska receive a very high percentage of their operating expenses—in some rural-bush villages close to 100 percent—from the state government rather than from local effort. In the past, many local capital expenditures—for schools, fire halls, and so on—have also come from state revenues. Many local governments in Alaska do not have a local sales tax and unincorporated communities often have no taxes at all. Comparative figures on the percentage of local funds coming from state sources can be deceptive because of the fact that the Alaska state government does many things that in other states are performed by local governments. However, by comparing various data sources it appears that state aid to local government is approximately three times the national average (12 percent) at about 35 percent—ranging from about 15 percent for Anchorage to 100 percent for many second-class cities—and twice the average for the American West, the region of the nation most dependent on government.⁶

A confluence of circumstances, then, have worked to produce and maintain a distinctive local government system in Alaska. These local circumstances have both been shaped by the IGR system and in turn have helped shape that system. Interestingly, the Alaska IGR system is quite different from other IGR systems in the American West despite similarities of geography, economics, development and political culture.

Major Forces Shaping IGR in Alaska

Historically, six factors have been crucial in shaping Alaska's IGR system. These are (1) the federal government and other external forces; (2) decisions made at the Alaska constitutional convention; (3) the unique status of Alaska Natives; (4) the state's political culture of "dependent individualism"; (5) Alaska's oil bonanza; and (6) state-federal tensions over the jurisdiction of Native governments.

The Influence of the Federal Government and Other External Forces

While the U.S. federal government is the dominant partner in IGR in Alaska, it is a government whose headquarters are based outside the state and is often seen as an external and negative force by Alaskans. This is why we group it with other outside forces that have shaped Alaska's IGR system.

From the purchase of Alaska from Russia in 1867 to the present, the federal government has played a major role in shaping first the Territory and then the State of Alaska. The federal government maintains its role through: its large land holdings (almost 60 percent of Alaska's land area); its control of coastal waters beyond the three-mile state limit; its special relationship with Alaska Natives administered, in part, through federal Indian law; its regulatory functions in everything from land, natural resources and the environment to education, health and welfare; and through its financial contributions to the state such as in transportation infrastructure where it pays up to 90 percent of the costs.

All aspects of the presence of the federal government affect IGR and thus relations with Alaska local governments and communities. In some cases federal impact is exercised through the state government in the form of mandatory regulations such as pollution control which local governments have to enforce; or in payments to local governments passed through the state. In other ways the federal government deals directly with local communities. This is particularly the case with Native governments and quasi-governments set up under federal law. This special relationship of the federal government to Native Alaskans and many of their communities sometimes causes conflict between federal and state authorities in Alaska as we will see below.⁷

There are many other external forces that have affected Alaska's IGR system and relations of the federal and state governments with local governments. Three external forces are particularly important: business corporations, these days often multinationals; American public opinion; and national and international interest groups, particularly environmental interests. The latter two forces, which are largely post-statehood phenomena and result mainly from Alaska's place in the American mind as the "Last Frontier," affect the IGR system through restricting the use of resources such as the opening of the Arctic National Wildlife Refuge (ANWR) on Alaska's North Slope bordering on the Arctic Ocean, and timber harvesting in the Tongass National Forest in Southeast Alaska.

Large business corporations, such as New England canneries and mining companies, provided the first impetus for white settlement in Alaska. Often aided by the federal government, these companies created a system of internal colonialism. This system, common to other Arctic regions in Russia, Canada, Scandinavia and Greenland, was the equivalent within a country of colonialism associated with nations like Britain and France. Internal colonialism involved economic exploitation of peripheral regions of a nation, usually for natural resources, by its central government, usually acting on behalf of business interests who provided little in return. The prohibition against the creation of counties in Alaska contained in the Territorial Act of 1912, was secured by big businesses operating in Alaska to avoid local taxes and is but one of

many examples of internal colonialism. In many ways, the political history of the Arctic is a story of the fight to end internal colonialism and for peripheral areas to acquire increasing control over their own affairs. This is, in part, the story of Alaska's political development, with the creation of the State of Alaska in 1959 allowing for greater control over external business forces just in time to face the age of multinationals like ARCO (Atlantic-Richfield) and British Petroleum, which are such important economic forces in the state. However, these companies still place constraints on Alaska's IGR system, as we will see below.

The Influence of Alaska's Founders

When the Alaska Constitutional Convention met in Fairbanks in the winter of 1955-56, the delegates were bent on avoiding the inefficiencies in the constitutions of many of the existing forty-eight states. With the National League of Cities' Model Constitution and the Public Administration Service of Chicago to guide them, and influenced by the Progressive tradition of the first part of the century, they produced a streamlined state and local government system. This included a highly centralized state administration with, among other things, a governor who, in effect, appoints all cabinet members, a limit of twenty on the number of state departments, and court and corrections systems run entirely by the state.

The Founders also wanted to create a streamlined and efficient local government system that avoided the multitude of special districts and overlapping authority found in many states. They expressed this goal succinctly in Section 1 of Article X of the Constitution:

The purpose of this article is to provide for maximum self-government with a minimum of local government units, and to prevent duplication of tax-levying jurisdictions. A liberal construction shall be given to the power of local government units.

The combination of a unique structure and liberal powers of home rule that they established was also seen to be adaptable to different areas of the state—rural and bush as well as urban.⁸

In their attempt to produce both a strong state and local government system, the Alaska Founders were, in effect, attempting to combat internal colonialism by giving the state extensive powers both within the state and in relation to outside forces, particularly business corporations, and by giving local governments power to control their own affairs in a way many local governments in other states cannot. Theoretically, this should have produced a vibrant IGR system within the state. But intentions and theory are one thing; practical realities are quite another, as we will also see below.⁹

The Unique Role of Alaska Natives

Even though Native Alaskans constitute only 16 percent (down from 50 percent in 1910) of Alaska's estimated 1999 population of 621,000, their presence is a key factor in generating political issues and shaping the IGR system. In fact, Alaska Natives play a role in Alaska politics, and thus in its IGR system, which has no parallel among Native Americans in any other state. This stems partly from the fact that, whereas in the Lower 48 Native Americans were removed to reservations because the white settlers wanted Native lands for agriculture, agriculture is not possible on the bulk of Alaska lands. Consequently, there was no reason to remove Natives. This, combined with the fact that by the time Alaska was colonized a period of atonement toward Native Americans was underway in the United States. The two aforementioned points are the major reasons why the reservation system never took root in Alaska.

As a result, many Native Alaskans still live where they have always lived in rural-bush areas. In this regard, Alaska's demographics sets it apart from the other forty-nine states. While the rural population in all other states is predominantly white and non-indigenous, in 1990, the latest year for which we have figures, 70 percent of the population of rural-bush Alaska (50,588 of 72,768) were Natives—Indians, Eskimos and Aleuts.¹⁰ About half the state's 250 communities are Native communities. All these Native communities are located in rural-bush areas and most are entirely Native in population including the bulk of the state's 112 second-class cities. Most of these communities are inaccessible by road. Another 45,000 Native Alaskans live in urban areas.

Thus, it is the dominant presence of Native Alaskans in rural-bush areas, combined with their economic base through Native for-profit and non-profit corporations, plus their relationship with the federal government, that gives the Native community such importance in shaping central-peripheral relations in Alaska and gives a particular characteristic to the IGR system. The role of Native Alaskans in this regard are illustrated later in this article.

The Effect of Alaska's Political Culture

A political culture, which is one aspect of the broader culture of a society, consists of the attitudes, values and beliefs of the population in a particular place about politics and government. In a general sense, a political culture is a perspective on the purpose of politics and government in the society, including IGR. In the first study of political culture and subcultures in the fifty states, Daniel Elazar classified Alaska's political culture as individualistic with some traditional (mainly Native Alaskan) elements.¹¹ Others have seen the frontier phase of Alaska's development as imbuing this culture with elements of pragmatism.¹² In fact, contrary to what many may believe, Alaska's political culture is far from easily or accurately described.

One thing we can say with certainty, however, is that *individualism* is a much used and abused word in Alaska. What many see as individualism may be more correctly described as *political pragmatism*. Political pragmatism de-emphasizes ideology, dogma and sometimes even cherished principles if these get in the way of getting the job done, and emphasizes a flexible approach to dealing with political issues and problems.¹³ It is evident from public opinion surveys, voting behavior and observing politicians, interest groups and parties, that political culture in Alaska contains a major element of political pragmatism as well as elements of individualism and libertarianism, the latter two often manifesting themselves in an anti-federal government attitude. Ironically, however, Alaska is among the top three states in the nation whose employment and economy is dependent upon government.¹⁴ Given this irony, political scientist Thomas Morehouse characterizes Alaska's political culture as "dependent individualism" by which he means that there is a combination of individualistic values set in the context of dependence on government.¹⁵ This characterization is the Alaskan manifestation of a general trait of the political culture of the American West, the so-called "western political paradox," which has long touted the myth of individualism and self-help while often denying its great dependence on government.¹⁶

A very good argument can be made that of all six influences considered here, it is the political culture of Alaskans that has had the most impact on IGR and central-peripheral relations. For instance, they shape the often negative attitude to the federal government (in the state) and its role in local land use, fisheries and other policies and, among certain non-Native Alaskans, a negative attitude to the federal role in protecting Native rights. Individualism and/or pragmatism, manifested in an anti-government attitude, is at the root of many communities not incorporating but being willing to accept government grants, as well as the unwillingness of several communities to tax themselves, while at the same time not refusing state handouts.

Alaska's Oil Revenue Bonanza

The unprecedented state revenues from oil and gas taxes in the ten years following the opening of the Trans-Alaska Pipeline in 1977, enabled the state government to bankroll local government to an extent of funding numerous capital projects and much of the operating budgets of many local governments. Not only was this the case with rural-bush governments but even urban governments received large sums from the state through programs such as Municipal Assistance and State Revenue Sharing. Local communities did not have to tax their residents and, in many cases, could actually reduce property and other taxes. These state revenues, combined with Alaska's political culture of dependent individualism, have had far reaching consequences for the contemporary IGR system in Alaska.

State-Federal Conflicts in IGR

The IGR relationship in Alaska is also influenced by ongoing conflicts between the state and federal government over a host of issues that affect local governments and communities. These range from the federal ban on opening ANWR to oil drilling which the state wants to open because of economic benefit to many communities directly (through local employment and revenues) and indirectly (through increased state revenues), to disputes over federal versus state estimates of state population which is important in determining federal funding of programs. Perhaps the major area of contention, however, in terms of high profile politics and its effects on local communities, is federal-state conflict over relations with Alaska Natives. Two such issues have great significance not only for Native communities but also for the entire state-local relationship in Alaska.

One such issue is subsistence fishing and gathering rights, which is arguably the most contentious issue in Alaska politics since statehood. Section 801 of the federal Alaska National Interests Lands Act (ANILCA), 1980 guarantees a subsistence preference for rural residents (mainly Natives) in the taking of fish and game in times of shortage. As the Alaska State Constitution contains a common use provision (Article VIII, section 3 dealing with Natural Resources), compliance with this federal provision requires a constitutional amendment, or at least a major change in the statutes. Yet, despite nearly two decades of efforts, a combination of factors have prevented the state from complying with this provision. Due to this failure, in October 1, 1999 the federal government took back the administration of subsistence rights on federal land that the state had previously administered.¹⁷

The second issue of contention is Native sovereignty. This is a complex issue revolving around the claim by many Native groups to have rights to control all or part of their own affairs under federal Indian law or simply because they are a "sovereign" people. While the existence of "Indian Country" (which gives broad powers to Native Americans and tribes) in Alaska was rejected by the U.S. Supreme Court in *Alaska v. Venetie* in 1998, the federal government accepts certain elements of Native sovereignty, including Native policies on child custody and through its recognition of Native IRA councils. The state on the other hand, has been firmly opposed to Native sovereignty and the granting of special powers to Native governments. The state's major argument is that this would amount to "sovereign" governments within its territory and seriously undermine its authority and legitimacy.¹⁸

The Political Dynamics of Contemporary Federal-State-Local Relations in Alaska

With an overview of the structure of Alaska's IGR system and an understand-

ding of the factors that have shaped that system, we can move to examine its contemporary dynamics. It is, after all, these dynamics that determine how it functions in practice, as opposed to how it was intended to operate, and thus reveals the strengths and weaknesses of the system and the applicability of the system and its experiences to other places. These contemporary dynamics involve the interrelationship of four elements: (1) the realities of a dual IGR system; (2) urban-rural/bush conflict; (3) financial dependence of local governments; and (4) the constraints of external forces.

The Realities of a Dual IGR System

As we have seen, Alaska does not have one integrated IGR system as in virtually all other American states, but two systems. There is territorial overlap between the systems and both the state and federal government have relations with local governments that are part of the state system and those created under federal Indian law. This dual system is the cause of much conflict between state and federal authorities and between bush governments and the state. Indeed, it also produces conflict between urban—mainly non-Native governments—and the state, as we will see below.

At the root of many of these conflicts is a fundamental clash between the Alaska constitutional system premised upon equal treatment of all citizens and the desire of sections of the Native community, in part aided by the federal government, to seek special status and protections to preserve a way of life. With the state government very protective of its sovereignty and bound by the state constitution, there is little ground for compromise between the state and federal authorities and between the state and bush (Native) communities. The conflict has had many practical ramifications including a few Native villages de-incorporating under state law. One writer has argued that the state's form of local government is inappropriate for Native communities.¹⁹ There is far from a consensus on this, even among Natives. Some predominantly Native communities, such as the North Slope Borough and the Northwest Arctic Borough, have benefitted enormously from incorporating under state law, the former by being able to tax the Alaska Pipeline and the latter by taxing the Red Dog Mine. Furthermore, the state government is not oblivious to the different needs of rural-bush areas and has set up special inquiries to look into and suggest ways to accommodate these needs. Most recently this could be seen, in 1998, when the state set up the Commission on Rural Governance and Empowerment in the wake of the US Supreme Court's decision denying the existence of "Indian Country" in Alaska. At the same time, and with a goal of stimulating economic development in the bush, the federal government established the Denali Commission.²⁰ Some argue, however, that these state and federal actions are just window dressings that do not address the real needs of Native communities. Whatever the reality,

one thing is certain—the emotion and lack of common ground inherent in the sovereignty issue assures that it will remain a burning and insoluble aspect of Alaska’s IGR system and Alaska politics for some time to come.

The Consequences of Urban-Rural/Bush Conflict

Urban-rural/bush conflict is not only a major element in Alaska politics but a central factor in understanding the political dynamic of IGR, particularly as it operates between the state and its communities. Besides the inherent problems resulting from the equal treatment-special privilege of the dual local government system, the sources of urban/rural-bush conflict include elements of racism but probably more importantly ethnocentrism—the white culture of urban Alaska (particularly Anchorage) versus the Native culture of rural-bush communities. This is compounded by the inaccessibility of rural-bush areas and the cost of getting there, which means that few non-Native Alaskans ever see this part of the state and thus, are unaware of the special problems faced in these communities. The cost of delivering services to rural-bush areas and perceived poor returns on this outlay, such as low performance by rural-bush students on national scholastic aptitude tests, is also a source of this conflict.

Because of its sensitive implications, particularly the labeling of urbanites as racists, urban/rural-bush tensions are rarely openly discussed in Alaska. But they have a major influence on IGR, an influence, which is determined largely by the stark realities of the power relationship between Anchorage—by far the state’s largest urban area—and the rest of the state, particularly the bush. From the mid-1970s to the late 1980, through the political skill of Native legislators and the bush caucus in the state legislature plus the fact that there were ample state funds, rural-bush areas held their own and received increasing resources. It has been a different story in the 1990s, however, particularly as Anchorage has increased its power in the state legislature. Among other things, reductions have been made in funding rural-bush education and in subsidizing the high power costs of these areas. Also, in 1999 the cabinet-level Department of Community and Regional Affairs, which primarily served rural-bush communities, was abolished and its functions merged with other departments. And there is now talk of the state not providing funds for Native governments not incorporated under Alaska state law. An even greater conflict looms in the near future over reapportionment of the state legislature following the 2000 census. While the rural-bush population is expanding, that of urban areas is expanding at a relatively greater rate, and Alaska is one of six states in the Union that requires US Department of Justice approval of its reapportionment plan because of past discrimination against minorities.

Financial Dependence of Local Governments on Federal and State Revenues

Several factors work to produce this dependence, particular dependence on state revenues. These include the high cost of providing services in Alaska, particularly transportation facilities, largely funded by the federal government; and the lack of a tax base in many rural-bush communities. Another important reason, in many ways a “self-inflicted” constraint, is a combination of Alaska’s oil bonanza and its political culture of dependent individualism. While the big oil revenue days are gone (though the state is far from hurting financially since it has a \$28 billion saving account—the Alaska Permanent Fund), the legacy of the easy money days lingers on. Since the early 1990s the state has reduced its budget by close to 30 percent with commensurate reductions for local governments.²¹ However, with the strong anti-tax sentiment that exists in most communities, including Anchorage and Fairbanks, this has not resulted in local governments filling the budget gap. Ironically, the reverse is true, with many communities considering tax caps on local spending and the move for a statewide property tax cap.

Instead, what is occurring is an increased lobbying effort on the part of many communities and their major interest group, the Alaska Municipal League, to implore the legislature not to cut more local funds and to restore those already cut.²² Such action by the legislature is very unlikely; but the old habits of local governments financial dependence are difficult to overcome. The obvious but stark practical consequence of the dependence of most local governments on state and federal funds is a reduction in political independence of many local governments and an increase in the vulnerability of local service provision to the vicissitudes of federal and particularly state revenues.

The Constraints of External Forces

These forces are an ever-present influence on the operation of Alaska’s IGR system in some ways directly in others indirectly. The continuing role of the federal government has already been extensively documented. Both American public opinion, as manifested through the national press, and external interest groups, national and international, are also ever present, often placing constraints on Alaska’s use of resources. These constraints limit revenues, as well as often limiting state and local government policy options as with the national outcry against wolf-trapping that occurred in late 1994 and early 1995.²³ Another external influence, which at present is minor but could increase in importance, is that of transnational organizations, particularly those among indigenous peoples, such as the Inuit Circumpolar Conference in North America. More indirectly, the decisions of multi-national companies—particularly those in oil and mining—to operate in Alaska and to what extent to operate, plus the world price of natural resources, over which Alaska has

no control, crucially affects state revenues and thus the all-important element of funding for the IGR system. Internal colonialism may no longer exist as it relates to Alaska, but the financial dependence of Alaska on external capital and business decisions made in capitals far away, means that in many ways its political options, and thus the health of its IGR system, are not determined within Alaska or even within the United States.

The Four Factors in Combination

These four factors add up to the contemporary political reality of the federal and state government being the dominant partners, in some cases the overwhelming force, in a highly hierarchical IGR system. Overall, Alaska's state government is much more of a junior partner to the federal government in the IGR system than are most other states because of financial dependence, federal land ownership, and the federal relationship with Native Alaskans. Not only that, but with other external forces both domestically and internationally exerting enormous influence on the state's political economy, the State of Alaska is much less in control of its own internal IGR affairs than many states. And Alaska local governments are much more of a junior partner than most local governments in relation to their state government largely because of state provision of services and the extent of state financial aid and the lack of taxing in local communities. Much of this weakness of local government within the IGR system stems from the self-inflicted attitude of "dependent individualism."

The Implications and the Lessons

What, then, are the implications and lessons of this IGR experience in Alaska for other places—states, provinces and nations—within and outside the Arctic? Before addressing these lessons, I will examine the questions of the influence of "northernness" on Alaska's IGR system and Alaska's exceptionalism, as this will further illuminate lessons and implications.

Assessing the Influences of "Northernness" and Alaskan Exceptionalism on Alaska's IGR System

Regarding the issue of Arctic exceptionalism, Oran Young writes:

For [many] the fact that the Far North seems unconnected to the concerns of the modern world is one of its strongest attractions; they would be distressed to learn that the Arctic has social problems of its own or that these problems are in many ways similar to issues now arising in other parts of the world.

Understandable as Arctic exceptionalism may be, it has the effect of obscuring our vision of a range of issues that are both critical to various constituencies in the Circumpolar North and of great interest to social scientists as exemplars

of concerns that are generic in the sense that they arise in every corner of the world.²⁴

Young's assessment of the largely mythical and often detrimental nature of a belief in Arctic exceptionalism, is valuable for placing Alaska's IGR system in a realistic context. However, this issue of exceptionalism—or what more accurately is the influence of local circumstances and a resultant uniqueness of political forms—is one of shades of gray than of black and white, depending on the type and level of influence one is examining. This can be illustrated in regard to Alaska's IGR system by reference to the influence of “northernness,” plus four factors often seen as giving “things Alaskan” uniqueness: climate, geographical remoteness, a dispersed population; and the presence of a large indigenous population.

First, we examine these factors at the most general level and independent of cultural, socio-economic or political influences. In other words, are a sparse population, the climate, and so on, by themselves unique to Alaska and thus shape the IGR system in unique ways? Obviously they are not unique to Alaska. Examples of identical factors can be found around the world and far outside the North. Alaska's severe climate has its counterparts in the southern cone of South America, particularly in high altitudes; and also in central Asia in countries like Tibet, again particularly in high altitudes. Geographical remoteness, both in terms of distance from the center of world commerce and population and in being far from the economic and political hubs of its own nation, also have their counterparts in other places, often coupled with a feeling of separateness or disconnection from a national government. For example, the Australian state of Western Australia is far from its national capital and the business and population centers of its nation.²⁵ Certain states of Brazil, particularly those in the northeast (the largely Amazon region) and northwest are similarly remote from political and economic centers like Rio de Janeiro, San Paulo and Brasilia, all located in the south of the country.²⁶ A feeling of remoteness and separateness is also felt in Mexico in the southern state of Chiapas.²⁷ Outlying regions of large countries, and particularly federal systems like the United States, Australia, Brazil, Mexico, Nigeria and South Africa, often manifest feelings of separateness resulting from geographic location.²⁸

Dispersed population and the presence of Indigenous peoples, also have their counterparts in many places outside of Alaska and the North. Again, we can use Australia, Brazil and Mexico on both counts as we can a host of other non-northern nations. Australia's Northern Territory, Brazil's northeastern region and Mexico's south all have relatively dispersed populations and high percentages of indigenous peoples. These examples confirm that, as with many other aspects of life in the North, “northernness” had little, if anything, to do with shaping Alaska's IGR system. Consequently, the system manifests

no perceptible traits that can be attributed purely to Alaska's northern location. This is the case even when we combine "northernness" with the specifics of Alaska's development. That is, even factoring in culture, economics and political history, to use the language of social science, northern location is not a dependent variable in Alaska's IGR system.

However, when we combine these other factors—climate, geographical remoteness, dispersed population and the presence of a large indigenous population—with Alaska's development and present political circumstances, we do find a particular complexion, and in some cases unique elements to many aspects of its IGR system. Climate has had less of an impact in this regard; but it has led to specific federal and state aid programs to deal with the effects of the harsh climate on road systems and programs to subsidize fuel and power costs. Remoteness and a dispersed population, although having similar effects in other parts of the world in terms of driving up transportation and service costs, make these even higher in Alaska due to the inaccessibility by road of many rural-bush communities. This generates the strong urban-rural/bush conflict in Alaska, explained above, a part of the politics of IGR in the state that likely has no real counterpart elsewhere because of the particular confluence of Alaska circumstances.

The General Lessons and Implications

None of this is to argue that nothing about Alaska's IGR system has implications or lessons for other places either within or outside the North. What it does mean is that the particular circumstance of Alaska's IGR system—as with the political forms of any aspect of any state or nation, northern or not—limit their applicability to other places.

It appears that the major implications and lessons are phenomena that observers have identified as central issues in political communities since the time of the Ancient Greeks, phenomena that can be observed in virtually every country around the world today. Perhaps primary among these is the importance of a sound economic and financial system as a foundation for political independence. Of equal significance is the importance of the nation-state and its control of legal sovereignty in shaping political forms. Moreover, the level of government within the IGR system possessing the major financial resources and the largest share of legal sovereignty will usually dominate political relations. These are clear age-old lessons of political power. The influence of historical circumstances and how this shapes a political culture is also clear. In a general sense, this all adds up to the importance of the juncture of economics and politics, the political economy of a state, region or nation, as being crucial factors in shaping political forms.

Perhaps less obvious, but certainly an age-old lesson and one seen around the world, is the gap between the ideals and goals of a governmental

system and how it works out in practice. This is clearly visible in Alaska with the intentions of the Founders to create a strong, viable local government system which has only been partly realized because of the Founders' own actions, limited economic options in rural-bush Alaska, the development of a dual system of local government, and the emergence of the local culture of dependent individualism. In short, ideals and theories expressed in constitutions are less influential in shaping political forms than the practical realities of the political economy and political culture. This is well illustrated in former colonies like Tanzania and Indonesia where the democratic political systems planted by their colonial governments were soon replaced after independence by more authoritarian forms in line with the political culture.

Yet, besides these generic lessons, are there lessons to be drawn from specific Alaska circumstances? In a limited way, this may be the case with four specific aspects of Alaska's IGR.

First, is the role of the Indigenous population. The specific history of the conflict between preserving an Indigenous lifestyle, involving special status for Natives in certain circumstances, versus the equal treatment of all citizens in a western-style democracy, provides a case study of the political dynamics of this most contentious issue. The role of the federal government, through such provisions as ANCSA and the protection of subsistence rights, to accommodate both Native and non-Native lifestyles and the general unwillingness of the state government to make accommodations, hold some general lessons for other places grappling with this problem. Not least of these is the need to pursue various options and to experiment with alternative policies.

Second, Alaska's dual IGR system shows that more than one IGR system can exist at the same time in a political jurisdiction. To be sure, the history of Alaska's dual system is riddled with conflicts and intensely emotional debates, but it does continue to operate, and the longer it does the greater the chances of accommodation between the conflicting parties. Particularly, as it relates to Native peoples, as Oran Young has pointed out, these groups will likely never control the sovereign nations or even the states or provinces that they inhabit.²⁹ Consequently, accommodation within the existing dominant IGR system is the only realistic alternative. Thus, any experiences of this type, including Alaska's, is of value.

Third, are the problems caused by too centralized an IGR system in undermining the development of a local government system that is economically and politically viable. In many ways centralization can lead to efficiency and a sort of "equal provision of services" for all citizens. But its costs may be the lack of development of a sense of local responsibility for financing and delivering services, less choice for local citizens to decide what type and level of services they want, and a less vibrant IGR system in general. To be sure, in cases where rural communities have no tax base, as is true in many parts

of rural-bush Alaska, there is no alternative to this centralization. An important lesson here, however, is that, unless some guaranteed form of funding for these tax poor communities is forthcoming from the central government, they are unlikely to develop a sense of political efficacy which may have negative consequences for the development and consolidation of a democratic political culture.

Fourth, are lessons related to the role of entities external to Alaska other than governments, such as interest groups, business corporations and public sentiment as expressed through the media. What Alaska offers here is a case study of the playing out of these state government versus external forces that may offer insights to other places facing similar problems. Sometimes Alaska has been successful in dealing with these external forces, as it has with levying taxes on the oil companies; and sometimes it has been unsuccessful, as with its inability to overcome pressure from interest groups and public opinion opposed to certain types of hunting and to the opening of ANWR. While these particular events are unique to Alaska, the process and outcome of the conflict may have more general lessons.

However, while all four of these, and perhaps other lessons, may have some value within and beyond the Arctic, it is unclear how valuable they can be given that the general implications are very much the product of Alaskan circumstances. For instance, Alaska's dual IGR system means that the lessons from this experience have to be broken down into urban and rural and that the system is very much shaped by an increasingly intense urban-rural/bush conflict which is the result of Alaska's particular political development. And the extent to which Alaska can provide an applicable lesson through its fight to end internal colonialism and establish a viable IGR system have been shaped by forces within the United States and Alaska, such as the special status of Native Alaskans and state ownership of natural resources, which may not have counterparts in other places. Thus several caveats are in order when attempting to apply the lessons of Alaska's IGR system to other places.

Conclusions

Returning to Oran Young's rationale for a separate study of Arctic politics set out in the introduction, we can assess his argument in light of the three goals of this article in considering the Alaska IGR system as a particular political form of an Arctic region.

One of Young's major rationales for studying Arctic politics is to acquire more knowledge of Arctic political forms for their own sake as a neglected area of regional studies in political science. This was one of the goals for considering the development of Alaska's IGR in this article. It is perhaps proven to be the most valuable of the three in that it has provided a study of the development and dynamics of one aspect of the political system of a northern

region, a study not conducted before. Thus, the body of knowledge on Arctic politics has been increased and, in some small way, an understanding of the political forms and processes of the region has been advanced.

In pursuing this first goal, the second goal of the article was achieved, which was to show that “northernness” had very little, if anything, to do with shaping Alaska’s IGR system and that Alaska exceptionalism is likely a myth when it comes to that system. This enabled us to partly confirm another of Young’s arguments, that Arctic exceptionalism in political forms is rare and should not be the major reason for studying Arctic politics. However, when we move beyond the general level of northern location and delve into the specifics of a political form, as we did with Alaska’s IGR system, we find, to no surprise, that the specifics of development within a sovereign state (the United States) and a semi-sovereign state (the State of Alaska) are such that they give a particular, if not unique complexion to the development of political forms. While this particular complexion is not the result of “northernness” it does have consequences for the value of the Alaska IGR experience as a case study.

This brings us to the third goal of the article and to a major rationale of Young’s for studying Arctic political forms—their lessons and implications for other places in and outside the North. At least as far as Alaska’s IGR system is concerned, these lessons fall far short of what Young might hope for northern political forms in general. Most of the major lessons from the Alaska experience are age-old lessons about the effects of economics and political sovereignty, none of which are unique to northern political forms. Furthermore, the specific lessons resulting from the course of Alaska’s IGR development may be limited given the peculiarities of the Alaska experience. Thus they are more accurately described as implications, which may have value to other places depending on a host of circumstances in those places, than they are as lessons to be followed. Consequently, the value of studying Arctic politics for its value to other places may be much more limited than Young and others would have hoped.

About the Author

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Endnotes

1. Oran R. Young, *Arctic Politics: Conflict and Cooperation in the Circumpolar North* (Hanover, NH: University Press of New England, 1992), Preface.
2. *Ibid.*, 6, 16, 18-24.
3. For a general explanation of the American IGR system see, David C. Nice and Patricia Fredericksen, *The Politics of Intergovernmental Relations*, second edition (Chicago: Nelson-Hall, 1995).
4. The following explanation of the features of Alaska's state local government system and Alaska's Native governments draws on Carl E. Shepro, "Rural-Bush Local Government: Toward a More Appropriate System?" Chapter 21 in Clive S. Thomas, ed., *Alaska Public Policy Issues: Background and Perspectives* (Juneau: The Denali Press, 1999), 276-77; and Clive S. Thomas, Anthony T. Nakazawa and Carl E. Shepro, "Alaska," in Dale Krane, Platon N. Rigos and Mel B. Hill, Jr., eds., *Home Rule in America: A Fifty-State Handbook* (Washington, D.C.: CQ Press, 2001), 33-40.
5. While there is no consensus on the distinction between urban, rural and bush Alaska these terms are used more or less as follows. Urban areas are connected by road or the Marine Highway System and are predominantly white, non-Native communities—mainly, Anchorage, Fairbanks, Palmer, Kenai, all on the road system, and Juneau, Ketchikan and Sitka, on the Marine Highway system. Similarly, the distinction between rural and bush Alaska is that rural communities are usually on the road system, have a predominantly white population and a largely cash economy, whereas bush communities are usually not accessible by road (only by air and sometimes by river), have a predominantly Native Alaskan population, and subsistence hunting, fishing and gathering plays a very important, often dominant, part in their economy. Anderson and Willow north of Anchorage are examples of rural communities; Ambler and Kobuk in north-west Alaska are examples of bush communities. Because the distinction between rural and bush is often unclear, in this article we use the hyphenated term "rural-bush" to designate the non-urban parts of the state.
6. Thomas, Nakazawa and Shepro, "The Alaska Local Government System," *An Endowment for Alaska's Future: The State Long Range Financial Planning Commission Report* (Juneau, AK: State of Alaska, October 1995); *Response to the Questions of the Long Range Financial Planning Commission and 'Alaska's Growing Fiscal Gap' Report* (Juneau, AK: Alaska Municipal League, and Alaska Conference of Mayors, August 1995); Ronald Snell, ed., *Financing State Government in the 1990s* (Washington, D.C.: National Conference of State Legislatures, National Governors' Association, 1993); and David R. Berman, "Financing State and Local Government." Chapter 12 in Clive S. Thomas, ed., *Politics and Public Policy in the Contemporary American West* (Albuquerque: University of New Mexico Press, 1991).
7. For a fuller explanation of the role of the federal government in Alaska and its relations with Native Alaskans, see Gerald A. McBeath and Thomas A. Morehouse, *Alaska Politics and Government* (Lincoln: University of Nebraska Press, 1994), chapters 4, 5, 12 and 13.

8. Shepro, "Rural-Bush Local Government," 276; and interviews with Judge Thomas Stewart, Secretary to the Alaska State Constitutional Convention, May 4 and August 10, 1999.
9. For a fuller discussion of the rationale and provisions of the Local Government Article of the Alaska Constitution see, Victor Fischer, *Alaska's Constitutional Convention* (Fairbanks: Institute of Social, Economic and Government Research, University of Alaska, 1975). 116-27; Thomas A. Morehouse, Gerald A. McBeath and Linda Leask, *Alaska's Urban and Rural Governments* (Lanham, MD: University Press of America, 1984), esp. Chap. 3; Gerald A. McBeath, *The Alaska State Constitution: A Reference Guide* (Westport, CT: Greenwood Press, 1997), 180-94; and Gordon S. Harrison, *Alaska's Constitution: A Citizen's Guide*, 3rd. ed. (Juneau: Alaska Legislative Research Agency, 1992), 191-205.
10. David L. Marshall, "The Economy or Rural-Bush Alaska: Structure, Problems and Prospects." Chapter 4 in Thomas, *Alaska Public Policy Issues*, 48.
11. Daniel J. Elazar, *American Federalism: A View from the States*, third edition (New York: Harper and Row, 1984). 124-25, 128-29 and 135.
12. Lee J. Cuba, *Identity and Community on the Alaska Frontier* (Philadelphia: Temple University Press, 1987).
13. Thomas, *Politics and Public Policy in the Contemporary American West*, 9, 30 and 52 note 11.
14. Edith R. Horner, ed., *Almanac of the Fifty States: Basic Data Profiles with Comparative Tables*, 1996 edition (Palo Alto, CA: Information Publications, 1996), Table 30, p. 435; and Thomas, *Alaska Public Policy Issues*, Table 3.2. p. 36 and Table 18.1. p. 261.
15. Thomas A. Morehouse, "Alaska's Political and Economic Future" (Lecture Notes and Illustrations), a lecture delivered to the faculty at the University of Alaska, Anchorage on his retirement, April 28, 1994.
16. Thomas, *Politics and Public Policy in the Contemporary American West*, 15.
17. On the issue of subsistence see, Thomas F. Thornton, "Subsistence: The Politics of a Cultural Dilemma," Chapter 15 in Thomas, *Alaska Public Policy Issues*.
18. On Native sovereignty see, Fae L. Korsmo, "Native Sovereignty: An Insoluble Issue?" Chapter 19 in Thomas, *Alaska Public Policy Issues*.
19. Shepro, "Rural-Bush Local Government."
20. *Ibid.*, 284; and Korsmo, "Native Sovereignty," 273-74.
21. Greg Protasel, "State Revenues and the State Budget: Self Inflicted Problems?," Chapter 5 in Thomas, *Alaska Public Policy Issues*, 61-68.
22. For this attitude and strategy of local government, see various issues of *The Touchstone: Newsletter of the Alaska Municipal League*, esp. Vol. 9, Numbers 5 and 6 for November and December 1999, respectively.
23. For a fuller discussion of external forces on Alaska's IGR system, see Michael F. Turek, "Three Case Studies," Chapter 14 in Thomas, *Alaska Public Policy Issues*.
24. Young, *Arctic Politics*, 14.

25. On Australian federalism and its similar problems to other federal systems particularly its remoter regions see, Chapter 8, "Australian Federalism," in Owen Hughes, *Australian Politics*, 3rd edition (Melbourne: MacMillan, 1998). For a more detailed account see Martin Painter, *Collaborative Federalism: Economic Reform in Australia in the 1990s* (Cambridge, England: Cambridge University Press, 1999), especially Chapters 1, 2, 4 and 8.
26. On Brazil see, Wayne A. Selcher, "The Politics of Decentralized Federalism, National Diversification and Regionalism in Brazil," *Journal of Inter-American Studies and World Affairs* 40 (4) (Winter 1998): 25-50; and Celina Souza, *Constitutional Engineering in Brazil: The Politics of Federalism and Decentralization* (New York: St Martin's Press, 1997), Chapters 2, 4 and 8.
27. Roderic Ai Camp, *Politics in Mexico* (New York: Oxford University Press, 1993), Chap. 1 and 2.
28. On various aspects of the African experience and its relationship to IGR—economic, ethnic and political—see Peter J. Schraeder, *African Politics and Society: A Mosaic in Transformation* (New York: Bedford/St. Martin's Press, 2000), Chapters 7 and 8.
29. Young, *Arctic Politics*, 10, 16.