

Canadian scholar in the area of Aboriginal rights, mentions no support from the Canadian government—this despite the relevance of *Awakening Siberia* for the Canadian experience and the federal government's largesse in participating in similar studies conducted by others, few of which exhibit the scholarly depth and potential impact of Sillanpää's work.

Awakening Siberia belongs on the shelves of school libraries, as well as on those of scholars, professionals, and students involved with or interested in Indigenous peoples on the margins of the Russian Arctic. It crosses disciplinary boundaries between political science, history, sociology, cultural anthropology, economics, and human rights history. It therefore should also be on hand for those involved in the development of public policy concerning northern Indigenous peoples. For members of the general public who simply want to know more about the Russian North and its inhabitants, *Awakening Siberia* is an excellent piece of scholarship characterized by an easy-to-read, almost journalistic, style and the inclusion of human-interest stories about long-neglected peoples still determined to carry on in their changing world.

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The Political Economy of Oil in Alaska: Multinationals vs. the State.
By Jerry McBeath, Matthew Berman, Jonathan Rosenberg, and Mary F. Ehrlander. Boulder, CO: Lynne Rienner Publishers, 2008. 277pp.
Illustrations, maps.

In *The Political Economy of Oil in Alaska: Multinationals vs. the State*, four University of Alaska professors tackle a question daunting in breadth and import: How has a young and sparsely populated northern state managed its relationship with the multinational corporations (MNCs) that developed the largest oil production complex in the United States, including its transportation arm? The answers play out dramatically on a rapidly changing northern stage, where economic, environmental, and social decisions are made in remote political centres; Native interests are integral to the tapestry. Described by its authors as "a comprehensive study of an often contentious alliance" (277), this book is a collaborative effort that contains a wealth of documented historical information and interesting insights. It will be used by students of economic, social, and environmental issues in the North and elsewhere. But the sanguine conclusion—that Alaska's state government has developed the institutional strength and regulatory skills necessary to negotiate and implement resource policy on an almost equal footing with

the MNCs—is seriously undermined by contradictions and gaping holes in its methodology and its empirical foundations.

The opening chapter of the book lays out the theoretical framework for assessing the state's relationship with MNCs, discussed below. Chapter 2 outlines Alaska's petroleum history, highlighting selected events that preceded and followed the 1968 announcement of the discovery of the continent's largest conventional oil field at Prudhoe Bay on Alaska's North Slope. Oil production began in 1977 and peaked in 1988, when production began declining from two million barrels per day to current levels, less than one-third of the high mark. The next six chapters make empirical contributions to understanding Alaska's petroleum encounters. Chapter 3 examines electoral politics and the oil industry's influence on campaign financing. Chapters 4 through 7 focus on the state fiscal system and address issues such as the state's need for revenue stability in the face of volatile oil prices, the Alaska Permanent Fund and its annual dividend (PFD), other resource funds, and state strategies for dealing with dependence on declining oil revenues. Chapter 8 describes the state's environmental regulatory efforts. Chapter 9 heralds the state of Alaska's "powerful administrative capability" (234) and "growing capacity ... to manage its own destiny" (246).

Each chapter is a separate, annotated work by one of the four authors, each of whom brings different background, viewpoints, and theoretical perspectives to the task. The book begins with a discussion of external domination of resource-rich states, focusing on a theory known as "mature dependency," borrowed from Canada's experience, to examine how a state with strong government institutions copes with development tied to a single resource. But the bulk of the book relies primarily on a different approach that attempts to capture the dynamics of Alaska's vital state-industry interplay by offering loosely structured observations on political bargaining processes. The result is a somewhat disjointed narrative sprinkled with frequently conflicting observations and conclusions.

For example, Chapter 3 concludes that "[t]he oil and gas industry's influence on state politics reflects its dominance of the state's economy" (76), but notes that "Alaska's political process has become much more permeable to interests other than oil in recent years" (77). Chapter 8 finds that the regulatory process contributes to effective mitigation of environmental disturbances, even though British Petroleum's 2006 oil spill on the North Slope "casts serious doubt on the regime's overall effectiveness" (226). The final chapter reports that "Alaska, as a resource owner, potentially can equal the influence of the oil industry and is not dependent on it" (236). But the book concludes that Alaska is "a mature but dependent state" (246).

Despite its subtitle, the book short-changes discussion of the MNCs. Although names and exact percentages have changed with mergers, three major MNCs—now British Petroleum, ConocoPhillips and ExxonMobil—have historically controlled upwards of 90% of North Slope production and its vital market link, the Trans-Alaska Pipeline System (TAPS). The book does not discuss the implications of this highly unusual concentration of power, which gives three companies extraordinary influence over the nation's largest oil field, future northern development, and the entry of potential competitors. Also omitted are data and analysis regarding MNC costs and profitability—key aspects of a lurching industry-government see-saw.

It is difficult to accept the conclusion that there is a rough state-industry parity when the book and its four economic chapters ignore or scarcely mention important issues such as petroleum litigation, pipeline tariffs, potential antitrust questions, the state's financial auditing capabilities, and the effects of industry lobbying efforts on petroleum-related legislation. The book's treatment of oil price volatility is limited to discussion of price crashes and overlooks price spikes. Crashes create havoc for an oil-dependent economy; spikes inspire accounting chicanery intended to maximize profit shares and have recently enhanced the attractiveness of alternative fuels, confounding industry planning.

The book's optimistic conclusion is further undermined by its own trenchant observations that the will to restrain industry dominance is vitiated by two factors: a trend toward partnering with industry and fear that criticism of the industry would inhibit investment necessary to arrest North Slope production decline. On the socio-economic front, the book presents no hard statistics on Alaska's economic growth or the distribution of petroleum wealth. In contrast, however, the authors are great fans of the Permanent Fund and the PFD: the total annual pay-out to an individual Alaskan receiving the PFD over this program's first twenty-six years—\$27,536.41—is mentioned in three separate chapters.

The concluding chapter asserts that Alaska's experience is relevant to other oil-producing economies but does not include a list of lessons learned. Instead, citing space limitations, the final chapter identifies four system characteristics that purportedly bring Alaska's political system close to rough parity with the MNCs. The first of these is transparency, credit for which is given to democratic tradition, state laws, and a small population base that permits relatively easy access to political leaders. However, recent corruption scandals and demonstrable opacity regarding industry profitability and the collection and distribution of petroleum wealth, call the effectiveness of Alaska's relative transparency into question. Confidentiality restrictions

have kept the public in the dark regarding important operational decisions and data on costs and profitability, as well as questionable MNC conduct in revenue litigation.

One of the book's major shortcomings involves its treatment of the "resource curse," a prominent theory that calls attention to two phenomena: (1) the tendency for resource-rich countries or economies to perform worse, in terms of overall economic outcomes and governance, than those with fewer resources; and (2) the "Dutch disease," or the tendency for those economies that do perform well overall to suffer decline in pre-existing peripheral sectors due to resource sector overheating. One of the principal causes of the resource curse is known as "rent-seeking," or the inappropriate pursuit of what economists call "economic rent": the gap (usually large, but volatile) between total resource extraction costs (including a reasonable profit), and the price the commodity commands.

This purportedly comprehensive book on Alaska's political economy virtually ignores the existing body of thought on the resource curse and rent seeking, but others do not. Noted economist and resource curse protagonist Joseph Stiglitz reports that Alaska MNCs exemplify cheating by rent seekers who overestimate costs to reduce state royalty and tax obligations. During the first quarter-century of North Slope operations, Alaska was forced to litigate to recoup more than \$6 billion in underestimated state payments. The Alaska scholars, who fail to mention this eye-popping figure and its implications, also hail Alaska's MNCs as good corporate citizens.

Concerns regarding Dutch disease fare little better under the book's Alaska lens. Chapter 7 praises the Alaska Permanent Fund for absorbing petroleum revenue, thereby damping the inflationary effect of "too rapid expenditure of natural resource income, the so-called 'Dutch disease'" (185). The PFD is also credited for stimulating both Alaska's economy and that of its peripheral economic sectors; this apparent paradox is unexamined. No hard information on statewide and sector economic trends is presented to confirm the assumed divergence between Alaska's experience and that of economies elsewhere that suffer from the resource curse, or to evaluate petroleum development impacts on Alaska's Native and other rural populations.

The book's central premise—that the state of Alaska now defends its public interests "on a more or less equal footing with the oil and gas industry" (20)—is rendered suspect by contradictions, omissions, and skewed conclusions, and by countervailing evidence the book itself presents, including industry financing of political campaigns and serious doubts about environmental regulatory effectiveness. The authors thank British Petroleum and ConocoPhillips for financial support during the project's final

stage; I do not see this as evidence of corruption. Nevertheless, this book's shortcomings demonstrate the need to exercise great care and independence when working in this arcane and complex arena. Researchers can make a significant contribution to the study of petroleum development by utilizing Alaska's celebrated (but relative) transparency to identify information process and data deficiencies, as well as the subtle but pervasive powers of oil industry seduction.

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Biocultural Diversity and Indigenous Ways of Knowing: Human Ecology in the Arctic. By Karim Aly-Kassam. Calgary: University of Calgary Press, 2009. 288 pp. Bibliography, index, maps.

Written in an accessible style, this volume presents the reader with seven chapters that lead the way through the author's re-conceptualization of human ecology into a narrower iteration specific to an Arctic inhabited and shaped by Indigenous communities. Two case studies are presented, based on archival research and interviews with inhabitants of Ulukhaktok, Northwest Territories and Wainwright, Alaska. The interviews were followed up with community verification events. Accompanying the volume is a map indicating subsistence resource and land use by Inuvialuit residents of the western Arctic community of Holman.

The strength of the book lies in its contribution to the discussion of the nature of Indigenous knowledge. This intervention is timely. In Chapter Three, the author provides a sensitive and insightful consideration of Indigenous knowledge's attributes, which are identified as: content specificity, complex connectivity, empirical tendency, cumulative nature, and plurality. The discussion of these elements is used as a framework for the author's re-conceptualization project and allows for an understanding of human ecology structured by Indigenous ways of knowing based on constant and collective interaction with the lived environment. This re-thinking acknowledges that Indigenous knowledge itself is consistent with human ecology's purpose of understanding "the complex and varied systems of interaction between man and his living and non-living environment" (25). Moreover, it provides a way of conceptualizing arctic human ecology that both brings to bear, and requires of researchers, a deeper understanding of human ecologies of hunter-gatherer communities at a crossroads of change wrought by the intersecting realities of cultural resurgence, capitalist resource extraction, and